

**Fidelity National Title**

**CHICAGO TITLE**

**TWO TRUSTED COMPANIES. ONE UNIFIED TEAM**

**March 14, 2025**

**Prepared For:**

**M & K Distributing LLC**

**US Highway 2 W**

**07396512304090000**

**Built to ensure a successful real estate partnership with proven results.**

## **Fidelity National Title Branch Locations**

**BIGFORK:**

8000 MT HWY 35, Ste 3  
Bigfork, MT 59911  
406-837-8000

**COLUMBIA FALLS:**

734 9th Street West Unit 5  
Columbia Falls, MT 59912  
406-862-7914

**LAKESIDE:**

7100 US HWY 93 South, Ste A  
Lakeside, MT 59922  
406-300-6106

**HAMILTON:**

1920 North First Street  
Hamilton, MT 59840  
406-363-7004

**KALISPELL:**

150 1st Ave., WN Ste A  
Kalispell, MT 59901  
406-755-7004

**MISSOULA:**

320 West Broadway St  
Missoula, MT 59802  
406-728-1500

**WHITEFISH:**

284 Flathead Ave, Ste 101  
Whitefish, MT 59937  
406-862-7914

## **Chicago Title Branch Locations**

**CHICAGO TITLE - BILLINGS**

3141 Meadow View Dr  
Billings, MT 59102  
406-238-9999

**CHICAGO TITLE - BOZEMAN**

1800 W Koch Street, Ste 1  
Bozeman, MT 59715  
406-587-5563

**CHICAGO TITLE - GREAT FALLS**

300 River Dr North, Ste 2  
Great Falls, MT 59401  
406-453-7622

**Contact us today.**

We are always ready to assist you with an elevated level of expertise and a commitment to service.

**FNTMontana.com**

**Montana CTIC.com**

Flathead County Property Profile



Parcel #	07396512304090000	Owner	M & K Distributing LLC
Ref Parcel		Owner Address	PO Box 7606 Kalispell MT 59904 - 0606
Site Address	Us Highway 2 W Kalispell MT 59901	Market Total Value	
Lot Size	13.27 Acres (578,041 SqFt)	Assessed Total Value	\$231,984.00
Building Area		Year Built	
School District	KALISPELL	Zoning	R-1 Suburban Residential Land Use
Bedrooms		Subdivision	
Bathrooms		Land Use / Land Use Std	VAC_R - Vacant Land Rural / 8008 - Rural/Agricultural-Vacant Land
Legal	S12, T28 N, R22 W, 13896-2, PARCEL N/A, TR 6FC IN SW4SW4		



Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.





# FLATHEAD COUNTY

## Montana

Shopping Cart: 0 items [\$0.00]

**New Search**

**History**

**Payoff**

**Pay Taxes**

**Help**

**Assessor#:** 0130091

**Status:** Current

**Receipt:** 77006

**2024 Owner(s):**  
M & K DISTRIBUTING LLC

**Mailing Address:**

PO BOX 7606  
KALISPELL, MT 599040606

**Legal Description:**

S12, T28 N, R22 W, 13896-2, PARCEL N/A, TR 6FC IN

**Tax Comparison**

### 2024 Value:

**Market:** \$231,984  
**Taxable:** \$3,132

**Detail**

### 2024 Taxes:

**View Pie Charts**

**First Half:** \$747.38 **Due:** 11/30/2024  
**Second Half:** \$747.35 **Due:** 5/31/2025  
**Total:** \$1,494.73

**Show Current Tax Bill**

**Detail**

### 2024 Payments:

**First Half:** \$747.38  
**Second Half:** \$0.00  
**Total:** \$747.38

(May include penalty & interest)

### 2024 Legal Records:

**Geo Code:** 07-3965-12-3-04-09-0000 **Instru#:** 200900001747 **Date:** 2009-01-23

**Property address:** US HIGHWAY 2 W, KALISPELL MT 59901

**TRS:** T28 N, R22 W, Sec. 12

**Legal:** S12, T28 N, R22 W, 13896-2, PARCEL N/A,  
TR 6FC IN SW4SW4

**Short:** TR 6FC IN SW4SW4

**Acres:** 13.27

**COS:** 13896-2

**Note:** The accuracy of this data is not guaranteed. Only one search criterion is required (e.g. Parcel # or Owner Name). Entering additional criteria can result in an incomplete search.

Property Tax data was last updated 03/14/2025 11:30 AM.

### Send Payment To:

Flathead County Treasurer  
290 A North Main  
Kalispell, MT 59901  
(406) 758-5680



**Flathead County Treasurer**  
**Adele Krantz, Treasurer**  
290 A North Main  
Kalispell, MT 59901  
(406) 758-5680  
[https://flathead.mt.gov/property\\_tax](https://flathead.mt.gov/property_tax)

# County Tax Bill

## Tax Year 2024

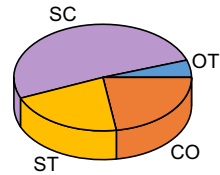
21156\*\*56\*\*G50\*\*0.596\*\*1/2\*\*\*\*\*AUTO5-DIGIT 59901  
M & K DISTRIBUTING LLC  
PO BOX 7606  
KALISPELL MT 59904-0606



<b>Assessor #:</b>	0130091
<b>Tax District</b>	1310-V05/SmithValleyBond/Smit
<b>Geo Code</b>	07396512304090000
Mill Levy:	468.810
Market Value:	231,984
Real Estate:	3,132
Building & Improvements:	0
Personal Property:	0
Exemption:	0.00
Taxable Value:	3,132

Key Taxing Authority	Levy	Total Due	Key Taxing Authority	Levy	Total Due	Legal Description
CO 911 GENER OBLIG BON	0.910	\$2.84	SC SD 05 DEBT SERVICE	21.410	\$67.06	SCT: 12 TWN: 28 N RNG: 22 W
CO AIRPORT	2.000	\$6.26	SC SD 05 FLEX	4.430	\$13.88	TR 6FC IN SW4SW4
CO AREA AGENCY ON AGIN	0.470	\$1.48	SC SD 05 GENERAL	70.910	\$222.09	Physical Address: US HIGHWAY 2 W
CO BOARD OF HEALTH	4.000	\$12.52	SC SD 05 TECHNOLOGY	11.270	\$35.30	
CO BRIDGE	1.590	\$4.98	SC SD 05 TRANSPORTATIO	18.820	\$58.94	
CO CO PERM MED LEVY	7.960	\$24.92	SC SD 05 TUITION	15.770	\$49.40	
SC COMMUNITY COL. RET.	2.750	\$8.62	CO SEARCH & RESCUE	1.000	\$3.14	
CO COMP INSURANCE	4.360	\$13.66	CO SHERIFF	27.370	\$85.72	
CO COUNTY LIBRARY	4.210	\$13.18	OT SMITH VALLEY FIRE	10.700	\$33.52	
CO COUNTY PARKS	1.060	\$3.32	OT SMITH VLY FIRE BOND	5.970	\$18.70	
CO COUNTY PLANNING	1.030	\$3.22	CO SPECIAL EMS PROGRA	2.000	\$6.26	
CO COUNTY POOR FUND	0.180	\$0.56	SC TRANSPORTATION	1.390	\$4.36	
CO COUNTY RETIREMENT	7.820	\$24.50	ST UNIVERSITY MILLAGE	6.000	\$18.80	
CO COUNTYWIDE MOSQUIT	0.500	\$1.56	<b>TOTAL LEVY</b>	<b>468.810</b>	<b>\$1,468.31</b>	
CO DISTRICT COURT	0.810	\$2.54	OT FECC SPECIAL DIST		\$22.91	
ST ELEM GENERAL MAINT	33.000	\$103.36	OT SOIL & WATER CONSERV		\$3.51	
SC ELEM RETIREMENT	14.020	\$43.90	<b>TOTAL TAX</b>		<b>\$1,494.73</b>	
SC EMS	1.000	\$3.14				
ST EQUALIZATION MILLAG	40.000	\$125.28				
CO EXTENSION	0.330	\$1.04				
CO FAIR	0.560	\$1.76				
SC FHS BUILDING RESERV	0.920	\$2.88				
SC FHS BUS RESERVE	0.840	\$2.62				
SC FHS DEBT SERVICE	11.590	\$36.30				
SC FHS DEBT SRV NEW BO	5.690	\$17.82				
SC FHS FLEX	1.560	\$4.88				
SC FHS GENERAL	24.340	\$76.24				
SC FHS TRANSPORTATION	9.410	\$29.48				
SC FHS TUITION	2.500	\$7.82				
SC FVCC ADULT EDUCATIO	0.990	\$3.10				
SC FVCC DEBT SERVICE	1.920	\$6.02				
SC FVCC GENERAL	6.810	\$21.32				
SC FVCC PERMIS MED LEV	3.310	\$10.36				
CO GENERAL	18.810	\$58.92				
CO GROUP INSURANCE	0.130	\$0.40				
ST HIGH SCH GEN MAINT	22.000	\$68.90				
SC HIGH SCH RETIREMENT	7.030	\$22.02				
CO JUVENILE DETENTION	0.340	\$1.06				
CO NOXIOUS WEEDS	0.970	\$3.04				
CO PERM SRS LEVY	0.300	\$0.94				
CO PORT AUTHORITY	1.090	\$3.42				
CO PUBLIC TRANSIT	0.550	\$1.72				
CO ROAD	16.280	\$50.98				
SC SD 05 ADULT AD	1.870	\$5.86				
SC SD 05 BLDG RESERVE	1.760	\$5.52				
SC SD 05 BUS RESERVE	2.200	\$6.88				

### Distribution Breakdown



CO	COUNTY	22.55%	\$337.08
ST	STATE	21.16%	\$316.34
SC	SCHOOL	51.02%	\$762.67
OT	OTHER	5.26%	\$78.64

**2nd Half:** \$747.35

**2nd Half Due:** 05/31/2025

**Assessor No:** 0130091

**NO SECOND HALF NOTICE WILL BE SENT.  
YOUR CHECK IS YOUR RECEIPT.  
STUBS MUST ACCOMPANY PAYMENT. FOR A COPY OF YOUR TAX  
RECEIPT INCLUDE A SELF ADDRESSED STAMPED ENVELOPE.**

M & K DISTRIBUTING LLC  
PO BOX 7606  
KALISPELL MT 59904-0606

**MAKE CHECK PAYABLE TO:**  
**Adele Krantz**  
**Flathead County Treasurer**  
290A N MAIN ST  
KALISPELL, MT 59901-3946

**1st Half:** \$747.38

**1st Half Due:** 11/30/2024

**Full Year Total:** \$1,494.73

**Total Due Date:** 11/30/2024

**Assessor No:** 0130091

**NO SECOND HALF NOTICE WILL BE SENT.  
YOUR CHECK IS YOUR RECEIPT.  
STUBS MUST ACCOMPANY PAYMENT. FOR A COPY OF YOUR TAX  
RECEIPT INCLUDE A SELF ADDRESSED STAMPED ENVELOPE.**

M & K DISTRIBUTING LLC  
PO BOX 7606  
KALISPELL MT 59904-0606

**MAKE CHECK PAYABLE TO:**  
**Adele Krantz**  
**Flathead County Treasurer**  
290A N MAIN ST  
KALISPELL, MT 59901-3946



After Recording Return To:

John B. Dudis  
Crowley Fleck  
P.O. Box 759  
Kalispell, MT 59903



Paula Robinson, Flathead County MT by NC

200900001747

Page: 1 of 2

Fees: \$14.00

1/23/2009 4:19 PM

## GRANT DEED

For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, MARK NOLAND and KATHERINE NOLAND, husband and wife, of P.O. Box 7606, Kalispell, Montana 59904 ("Grantors"), do hereby grant, bargain, sell and convey to M & K DISTRIBUTING, LLC, a Montana limited liability company, P.O. Box 1691, Kalispell, Montana 59903 ("Grantee"), the following described real property located in the County of Flathead, State of Montana, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE  
INCORPORATED HEREIN AS IF SET OUT AT LENGTH.

TOGETHER WITH all appurtenances thereto belonging or in anywise appertaining,  
TO HAVE AND TO HOLD unto the Grantee and the Grantee's heirs and assigns, forever.

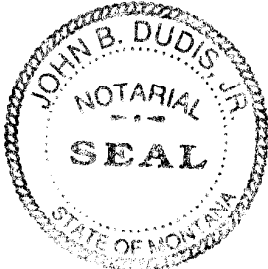
DATED this 23 day of January, 2009.

Mark Noland  
MARK NOLAND

Katherine Noland  
KATHERINE NOLAND

STATE OF MONTANA     )  
                                      : ss.  
County of Flathead     )

This instrument was acknowledged before me on this 23<sup>rd</sup> day of January, 2009, by  
Mark Noland and Katherine Noland.



John B. Dudis  
(Type, Stamp or Print Name)  
Notary Public for the State of Montana  
Residing at Kalispell, Montana  
My Commission expires 8/29/2011

Approved 1/23/09 0130091



Paula Robinson, Flathead County MT by NC

200900001747  
Page: 2 of 2  
Fees: \$14.00  
1/23/2009 4:19 PM

### EXHIBIT "A"

A tract of land, situate, lying and being in the Southwest  $\frac{1}{4}$  of Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana and more particularly described as follows:

Commencing at the Southwest corner of said Section 12; thence  
North 02°40'23" West 49.05 feet along the West boundary of said Section 12 to the North  
right of way of U.S. Highway No. 2; thence  
North 89°50'00" East, 512.49 feet along said North right of way to the True Point of  
Beginning of the Tract of land being described, said point lies on the South boundary  
of Deed Exhibit, book 415, Page 361, Flathead County records; thence leaving said  
North right of way,  
North 39°33'40" West, 410.72 feet along said South boundary; thence leaving said South  
boundary,  
North 21°43'58" West, 190.84 feet; thence  
North 44°47'14" West, 302.93 feet to the West boundary of said Section 12; thence  
North 02°40'23" West, 567.15 feet to the S 1/16 corner on the West boundary of said  
Section 12; thence  
North 89°58'46" East, 684.57 feet; thence  
South 01°45'04" East, 464.27 feet; thence  
South 88°73'12" West, 106.87 feet; thence  
South 00°73'58" East, 108.77 feet; thence  
South 00°09'57" East, 195.89 feet; thence  
South 00°09'07" East, 503.62 feet to said North right of way; thence  
South 89°50'00" West 22.18 feet along said North right of way to the Point of Beginning.

Tract 2 of Certificate of Survey No. 13896.

SUBJECT TO AND TOGETHER WITH Rights of Way and Easements established or of  
record.



Debbie Pierson, Flathead County MT by NC

201900026902

Page: 1 of 11

Fees: \$77.00

10/21/2019 11:52 AM

Return To: Loan Department, TrailWest  
Bank, PO Box 7758, Kalispell, MT  
59904-0758

Prepared By: Loan Department,  
TrailWest Bank, PO Box 7758, Kalispell,  
MT 59904-0758

*ATEC 452161*

Space Above This Line For Recording Data

**TRUST INDENTURE**  
(With Future Advance Clause)

0130091 LF

**DATE AND PARTIES.** The date of this Trust Indenture (MT) (Security Instrument) is October 18, 2019. The parties and their addresses are:

**GRANTOR:**

**M&K DISTRIBUTING LLC**  
A Montana Limited Liability Company  
14371 Hidden Bay Lane  
Bigfork, MT 59911

**TRUSTEE:**

**ALLIANCE TITLE & ESCROW**  
a Montana Corporation  
501 Main Street  
Kalispell, MT 59901

**BENEFICIARY (Lender):**

**TRAILWEST BANK**  
Organized and existing under the laws of Montana  
PO Box 7758  
222 West Idaho  
Kalispell, MT 59901

**1. DEFINITIONS.** For the purposes of this document, the following term has the following meaning.

**A. Loan.** "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

**2. CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Grantor's performance under this Security Instrument, Grantor does hereby irrevocably grant, convey and sell to Trustee, in trust for the benefit of Lender, with power of sale, the following described property:

Tract 2 of Certificate of Survey No. 13896, located in the Southwest Quarter of the Southwest Quarter, of Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana.

The property is located in Flathead County at NHN Highway 2 W, Kalispell, Montana 59901.

M&K Distributing LLC  
Montana Trust Indenture (MT)  
MT/4XGARRETT0000000002104052  
N

Wolters Kluwer Financial  
Services ©1996, 2019  
Bankers Systems™

Page 1





Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock, crops, timber including timber to be cut now or at any time in the future, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

**3. MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time and from time to time, including any sums advanced for the insurance, protection, and preservation of the Property or Lender's interest therein, will not exceed \$200,000.00 provided, however, that nothing contained in this Security Instrument will constitute a commitment to make additional or future loans or advances, beyond those defined as "Secured Debts," in any amounts. Any such commitment must be agreed to in a separate writing.

**4. SECURED DEBTS AND FUTURE ADVANCES.** The term "Secured Debts" includes and this Security Instrument will secure each of the following:

**A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated October 18, 2019, from Grantor to Lender, with a loan amount of \$200,000.00 and maturing on October 18, 2034.

**B. Future Advances.** All future advances from Lender to Grantor under the Specific Debts executed by Grantor in favor of Lender after this Security Instrument. If more than one person signs this Security Instrument, each agrees that this Security Instrument will secure all future advances that are given to Grantor either individually or with others who may not sign this Security Instrument. All future advances are secured by this Security Instrument even though all or part may not yet be advanced. All future advances are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future advances in any amount. Any such commitment must be agreed to in a separate writing.

**C. All Debts.** All present and future debts from Grantor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Security Instrument will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

**D. Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument when the evidence of indebtedness specifically states that it is secured by this Security Instrument.

**5. LIMITATIONS ON CROSS-COLLATERALIZATION.** The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in



connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

**6. PAYMENTS.** Grantor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

**7. WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.

**8. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees:

- A. To make all payments when due and to perform or comply with all covenants.
- B. To promptly deliver to Lender any notices that Grantor receives from the holder.
- C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- D. To restrict lien priority of any prior security interest allowing future advances by recording a notice of limitation as provided in Mont. Code Ann. § 71-1-206(3).

**9. CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

**10. DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

**11. TRANSFER OF AN INTEREST IN THE GRANTOR.** If Grantor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

- A. A beneficial interest in Grantor is sold or transferred.
- B. There is a change in either the identity or number of members of a partnership or similar entity.
- C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

**12. WARRANTIES AND REPRESENTATIONS.** Grantor makes to Lender the following warranties and representations which will continue as long as this Security Instrument is in effect:



**A. Power.** Grantor is duly organized, and validly existing and in good standing in all jurisdictions in which Grantor operates. Grantor has the power and authority to enter into this transaction and to carry on Grantor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Grantor operates.

**B. Authority.** The execution, delivery and performance of this Security Instrument and the obligation evidenced by this Security Instrument are within Grantor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Grantor is a party or to which Grantor is or any of Grantor's property is subject.

**C. Name and Place of Business.** Other than previously disclosed in writing to Lender, Grantor has not changed Grantor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Grantor does not and will not use any other name and will preserve Grantor's existing name, trade names and franchises.

**13. PROPERTY CONDITION, ALTERATIONS, INSPECTION, VALUATION AND APPRAISAL.**

Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor will not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Grantor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Grantor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time and frequency for the purpose of inspecting, valuating, or appraising the Property. Lender will give Grantor notice at the time of or before an on-site inspection, valuation, or appraisal for on-going due diligence or otherwise specifying a reasonable purpose. Any inspection, valuation or appraisal of the Property will be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection, valuation or appraisal for its own purpose, except as otherwise provided by law.

**14. AUTHORITY TO PERFORM.** If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**15. ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably assigns, grants, conveys to Lender as additional security all the right, title and interest in the following (Property).

**A.** Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).





**B. Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Grantor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).**

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement. Grantor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default. Grantor will not collect in advance any Rents due in future lease periods, unless Grantor first obtains Lender's written consent. Upon default, Grantor will receive any Rents in trust for Lender and Grantor will not commingle the Rents with any other funds. When Lender so directs, Grantor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting, valuating, appraising and preserving the Property, and other necessary expenses. Grantor agrees that this Security Instrument is immediately effective between Grantor and Lender. This Security Instrument will remain effective during any statutory redemption period until the Secured Debts are satisfied. Unless otherwise prohibited or prescribed by state law, Grantor agrees that Lender may take actual possession of the Property without the necessity of commencing any legal action or proceeding. Grantor agrees that actual possession of the Property is deemed to occur when Lender notifies Grantor of Grantor's default and demands that Grantor and Grantor's tenants pay all Rents due or to become due directly to Lender. Immediately after Lender gives Grantor the notice of default, Grantor agrees that either Lender or Grantor may immediately notify the tenants and demand that all future Rents be paid directly to Lender. As long as this Assignment is in effect, Grantor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Grantor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Grantor or any party to the Lease defaults or fails to observe any applicable law, Grantor will promptly notify Lender. If Grantor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Grantor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Grantor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts to the extent permitted by law. Otherwise, Grantor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

**16. DEFAULT.** Grantor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

**A. Payments.** Grantor fails to make a payment in full when due.

**B. Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization,

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Page 5



composition or debtor relief law by or against Grantor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

**C. Business Termination.** Grantor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

**D. Failure to Perform.** Grantor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

**E. Other Documents.** A default occurs under the terms of any other document relating to the Secured Debts.

**F. Other Agreements.** Grantor is in default on any other debt or agreement Grantor has with Lender.

**G. Misrepresentation.** Grantor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

**H. Judgment.** Grantor fails to satisfy or appeal any judgment against Grantor.

**I. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

**J. Name Change.** Grantor changes Grantor's name or assumes an additional name without notifying Lender before making such a change.

**K. Property Transfer.** Grantor transfers all or a substantial part of Grantor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

**L. Property Value.** Lender determines in good faith that the value of the Property has declined or is impaired.

**M. Material Change.** Without first notifying Lender, there is a material change in Grantor's business, including ownership, management, and financial conditions.

**N. Insecurity.** Lender determines in good faith that a material adverse change has occurred in Grantor's financial condition from the conditions set forth in Grantor's most recent financial statement before the date of this Security Instrument or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

**17. REMEDIES.** On or after the occurrence of an Event of Default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts, including, without limitation, the power to sell the Property. Any amounts advanced on Grantor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Grantor's default.

Subject to any right to cure, required time schedules or any other notice rights Grantor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of an Event of Default or anytime thereafter.

If there is an occurrence of an Event of Default, Trustee may, in addition to any other permitted remedy, at the request of Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash. Trustee will give notice of the sale including the time, terms and place of sale and a description of the property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the Property and to the extent not prohibited by law, Trustee will apply the proceeds of the Property's sale in the following order: to all fees, charges and costs including those for expenses the power of sale and reasonable Trustee's fees and reasonable attorney's fees; to Lender for all moneys advances made for the repairs, taxes, insurance, liens, assessments and prior encumbrances and interests thereon; to the Secured Debt's principal and interest; and paying any surplus as required by law. Lender or its designee may purchase the Property.

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Page 6



All remedies are distinct, cumulative and not exclusive, and Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after the occurrence of an Event of Default, to the extent permitted by law, Grantor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Grantor agrees to pay expenses for Lender to inspect, value, appraise and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, reasonable attorneys' fees, court costs, and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Grantor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Grantor.

**19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Grantor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Grantor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Grantor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Grantor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Grantor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Grantor or any tenant of any Environmental Law. Grantor will immediately notify Lender in writing as soon as Grantor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.





E. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Grantor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Grantor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Grantor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Grantor agrees, at Grantor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Grantor's obligations under this section at Grantor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Grantor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses to the extent permitted by law, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Grantor will provide Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**20. CONDEMNATION.** Grantor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**21. ESCROW FOR TAXES AND INSURANCE.** Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.

**22. RECONVEYANCE.** When Grantor has paid the Secured Debts in full and all underlying agreements have been terminated, Lender will request in writing that Trustee release the Security Instrument and will produce for Trustee, duly canceled, all notes evidencing debts secured by this Security Instrument. Trustee will release this Security Instrument and reconvey the property without further inquiry or liability.

**23. SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee in accordance with M.C.A. 71-1-306(2). The



successor trustee without conveyance of the Property, will succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.

**24. WAIVERS.** Except to the extent prohibited by law, Grantor waives all appraisal and homestead exemption rights relating to the Property.

**25. USE OF PROPERTY.** Grantor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Grantor becomes aware of such a violation, Grantor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if the Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnatee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnatee concerning this Security Instrument or the related property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such property, then the Grantor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnatee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnatee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by the Lender in favor of the Grantor.

Violation of this provision is a material breach of this Security Instrument and thereby constitutes a default under the terms and provisions of this Security Instrument.

**26. REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR SECURITY INSTRUMENT.** Grantor and Lender request the holder of any mortgage, deed of trust, or other encumbrance with a lien which has priority over this Security Instrument to give notice to Lender, at Lender's address set forth on this Security Instrument of any default under the superior encumbrance and of any sale or other foreclosure action.

**27. AREA OF PROPERTY.** The area of the Property is not more than 40 acres.

**28. FIXTURE FILING.** Grantor gives to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument constitutes a financing statement and is to be recorded in the real estate records.

**29. PERSONAL PROPERTY.** Grantor gives to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Grantor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term Property). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

**30. APPLICABLE LAW.** This Security Instrument is governed by the laws of Montana, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

**31. JOINT AND SEVERAL LIABILITY AND SUCCESSORS.** Each Grantor's obligations under this Security Instrument are independent of the obligations of any other Grantor. Lender may sue each Grantor severally or together with any other Grantor. Lender may release any part of the Property and Grantor will still be obligated under this Security Instrument for the remaining Property. Grantor agrees that Lender and any

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Page 9

party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Grantor.

**32. AMENDMENT, INTEGRATION AND SEVERABILITY.** This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**33. INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

**34. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Grantor will be deemed to be notice to all Grantors. Grantor will inform Lender in writing of any change in Grantor's name, address or other application information. Grantor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

**SIGNATURES.** By signing, Grantor agrees to the terms and covenants contained in this Security Instrument. Grantor also acknowledges receipt of a copy of this Security Instrument.

**GRANTOR:**

M&K Distributing LLC

By Mark Noland Date 10-18-19  
Mark Noland, Member



**ACKNOWLEDGMENT.**

STATE OF MONTANA, COUNTY OF FLATHEAD ss.

This record was acknowledged before me on October 18, 2019 (date) by (name(s) of individual(s)) Mark Noland as Member (type of authority) of or for M&K Distributing LLC, a Limited Liability Company on behalf of the Limited Liability Company (name of party on behalf of whom the record was executed).

Christina Sneed

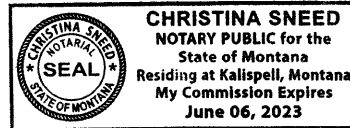
(Signature of notarial officer)

Notary Public

(Title of officer (if not shown in stamp))

My commission expires: June 06, 2023

Residing at Kalispell



**REQUEST FOR RECONVEYANCE**

(Not to be completed until paid in full)

**TO TRUSTEE:**

The undersigned is the holder of the note or notes secured by this Security Instrument. Said note or notes, together with all other indebtedness secured by this Security Instrument, have been paid in full. You are hereby directed to cancel this Security Instrument, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Security Instrument to the person or persons legally entitled thereto.

.....  
(Authorized Lender Signature)

.....  
(Date)



Debbie Pierson, Flathead County MT by JB

202400013900

Page: 1 of 11

Fees: \$88.00

8/7/2024 2:52 PM

Return To: Loan Department, TrailWest  
Bank, PO Box 7758, Kalispell, MT  
59904-0758

Prepared By: Loan Department,  
TrailWest Bank, PO Box 7758, Kalispell,  
MT 59904-0758

*ATEC 669565*

Space Above This Line For Recording Data

**TRUST INDENTURE**  
(With Future Advance Clause)

**DATE AND PARTIES.** The date of this Trust Indenture (MT) (Security Instrument) is August 7, 2024. The parties and their addresses are:

**GRANTOR:**

**M & K DISTRIBUTING LLC**  
A Montana Limited Liability Company  
14371 Hidden Bay Lane  
Bigfork, MT 59911

**TRUSTEE:**

**ALLIANCE TITLE & ESCROW**  
a Montana Corporation  
PO Box 879  
Kalispell, MT 59901

**BENEFICIARY (Lender):**

**TRAILWEST BANK**  
Organized and existing under the laws of Montana  
PO Box 7758  
222 West Idaho  
Kalispell, MT 59901

**1. DEFINITIONS.** For the purposes of this document, the following term has the following meaning.

**A. Loan.** "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

**2. CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Grantor's performance under this Security Instrument, Grantor does hereby irrevocably grant, convey and sell to Trustee, in trust for the benefit of Lender, with power of sale, the following described property:

Tract 2 of Certificate of Survey No. 13896, located in the Southwest Quarter of the Southwest Quarter, of Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana.

The property is located in Flathead County at NHN Highway 2 West, Kalispell, Montana 59901.

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Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock, crops, timber including timber to be cut now or at any time in the future, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

**3. MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time and from time to time, including any sums advanced for the insurance, protection, and preservation of the Property or Lender's interest therein, will not exceed \$100,000.00 provided, however, that nothing contained in this Security Instrument will constitute a commitment to make additional or future loans or advances, beyond those defined as "Secured Debts," in any amounts. Any such commitment must be agreed to in a separate writing.

**4. SECURED DEBTS AND FUTURE ADVANCES.** The term "Secured Debts" includes and this Security Instrument will secure each of the following:

**A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated August 7, 2024, from Grantor to Lender, with a loan amount of \$100,000.00 and maturing on August 7, 2039.

**B. Future Advances.** All future advances from Lender to Grantor under the Specific Debts executed by Grantor in favor of Lender after this Security Instrument. If more than one person signs this Security Instrument, each agrees that this Security Instrument will secure all future advances that are given to Grantor either individually or with others who may not sign this Security Instrument. All future advances are secured by this Security Instrument even though all or part may not yet be advanced. All future advances are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future advances in any amount. Any such commitment must be agreed to in a separate writing.

**C. All Debts.** All present and future debts from Grantor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Security Instrument will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

**D. Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument when the evidence of indebtedness specifically states that it is secured by this Security Instrument.

**5. LIMITATIONS ON CROSS-COLLATERALIZATION.** The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in



connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

**6. PAYMENTS.** Grantor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

**7. WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.

**8. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees:

- A. To make all payments when due and to perform or comply with all covenants.
- B. To promptly deliver to Lender any notices that Grantor receives from the holder.
- C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- D. To restrict lien priority of any prior security interest allowing future advances by recording a notice of limitation as provided in Mont. Code Ann. § 71-1-206(3).

**9. CLAIMS AGAINST TITLE.** Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

**10. DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

**11. TRANSFER OF AN INTEREST IN THE GRANTOR.** If Grantor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

- A. A beneficial interest in Grantor is sold or transferred.
- B. There is a change in either the identity or number of members of a partnership or similar entity.
- C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

**12. WARRANTIES AND REPRESENTATIONS.** Grantor makes to Lender the following warranties and representations which will continue as long as this Security Instrument is in effect:

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Page 3





**A. Power.** Grantor is duly organized, and validly existing and in good standing in all jurisdictions in which Grantor operates. Grantor has the power and authority to enter into this transaction and to carry on Grantor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Grantor operates.

**B. Authority.** The execution, delivery and performance of this Security Instrument and the obligation evidenced by this Security Instrument are within Grantor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Grantor is a party or to which Grantor is or any of Grantor's property is subject.

**C. Name and Place of Business.** Other than previously disclosed in writing to Lender, Grantor has not changed Grantor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Grantor does not and will not use any other name and will preserve Grantor's existing name, trade names and franchises.

**13. PROPERTY CONDITION, ALTERATIONS, INSPECTION, VALUATION AND APPRAISAL.**

Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor will not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Grantor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Grantor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time and frequency for the purpose of inspecting, valuating, or appraising the Property. Lender will give Grantor notice at the time of or before an on-site inspection, valuation, or appraisal for on-going due diligence or otherwise specifying a reasonable purpose. Any inspection, valuation or appraisal of the Property will be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection, valuation or appraisal for its own purpose, except as otherwise provided by law.

**14. AUTHORITY TO PERFORM.** If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**15. ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably assigns, grants, conveys to Lender as additional security all the right, title and interest in the following (Property).

**A.** Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).

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**B. Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Grantor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).**

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement. Grantor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default. Grantor will not collect in advance any Rents due in future lease periods, unless Grantor first obtains Lender's written consent. Upon default, Grantor will receive any Rents in trust for Lender and Grantor will not commingle the Rents with any other funds. When Lender so directs, Grantor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting, valuating, appraising and preserving the Property, and other necessary expenses. Grantor agrees that this Security Instrument is immediately effective between Grantor and Lender. This Security Instrument will remain effective during any statutory redemption period until the Secured Debts are satisfied. Unless otherwise prohibited or prescribed by state law, Grantor agrees that Lender may take actual possession of the Property without the necessity of commencing any legal action or proceeding. Grantor agrees that actual possession of the Property is deemed to occur when Lender notifies Grantor of Grantor's default and demands that Grantor and Grantor's tenants pay all Rents due or to become due directly to Lender. Immediately after Lender gives Grantor the notice of default, Grantor agrees that either Lender or Grantor may immediately notify the tenants and demand that all future Rents be paid directly to Lender. As long as this Assignment is in effect, Grantor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Grantor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Grantor or any party to the Lease defaults or fails to observe any applicable law, Grantor will promptly notify Lender. If Grantor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Grantor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Grantor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts to the extent permitted by law. Otherwise, Grantor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

**16. DEFAULT.** Grantor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

**A. Payments.** Grantor fails to make a payment in full when due.

**B. Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization,

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Page 5



composition or debtor relief law by or against Grantor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

**C. Business Termination.** Grantor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

**D. Failure to Perform.** Grantor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

**E. Other Documents.** A default occurs under the terms of any other document relating to the Secured Debts.

**F. Other Agreements.** Grantor is in default on any other debt or agreement Grantor has with Lender.

**G. Misrepresentation.** Grantor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

**H. Judgment.** Grantor fails to satisfy or appeal any judgment against Grantor.

**I. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

**J. Name Change.** Grantor changes Grantor's name or assumes an additional name without notifying Lender before making such a change.

**K. Property Transfer.** Grantor transfers all or a substantial part of Grantor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

**L. Property Value.** Lender determines in good faith that the value of the Property has declined or is impaired.

**M. Material Change.** Without first notifying Lender, there is a material change in Grantor's business, including ownership, management, and financial conditions.

**N. Insecurity.** Lender determines in good faith that a material adverse change has occurred in Grantor's financial condition from the conditions set forth in Grantor's most recent financial statement before the date of this Security Instrument or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

**17. REMEDIES.** On or after the occurrence of an Event of Default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts, including, without limitation, the power to sell the Property. Any amounts advanced on Grantor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Grantor's default.

Subject to any right to cure, required time schedules or any other notice rights Grantor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of an Event of Default or anytime thereafter.

If there is an occurrence of an Event of Default, Trustee may, in addition to any other permitted remedy, at the request of Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash. Trustee will give notice of the sale including the time, terms and place of sale and a description of the property to be sold as required by the applicable law in effect at the time of the proposed sale.

Upon sale of the Property and to the extent not prohibited by law, Trustee will apply the proceeds of the Property's sale in the following order: to all fees, charges and costs including those for expenses the power of sale and reasonable Trustee's fees and reasonable attorney's fees; to Lender for all moneys advances made for the repairs, taxes, insurance, liens, assessments and prior encumbrances and interests thereon; to the Secured Debt's principal and interest; and paying any surplus as required by law. Lender or its designee may purchase the Property.

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Page 6



All remedies are distinct, cumulative and not exclusive, and Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after the occurrence of an Event of Default, to the extent permitted by law, Grantor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Grantor agrees to pay expenses for Lender to inspect, value, appraise and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, reasonable attorneys' fees, court costs, and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Grantor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Grantor.

**19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Grantor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Grantor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Grantor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Grantor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Grantor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Grantor or any tenant of any Environmental Law. Grantor will immediately notify Lender in writing as soon as Grantor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

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E. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Grantor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Grantor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Grantor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Grantor agrees, at Grantor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Grantor's obligations under this section at Grantor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Grantor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses to the extent permitted by law, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Grantor will provide Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**20. CONDEMNATION.** Grantor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**21. ESCROW FOR TAXES AND INSURANCE.** Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.

**22. RECONVEYANCE.** When Grantor has paid the Secured Debts in full and all underlying agreements have been terminated, Lender will request in writing that Trustee release the Security Instrument and will produce for Trustee, duly canceled, all notes evidencing debts secured by this Security Instrument. Trustee will release this Security Instrument and reconvey the property without further inquiry or liability.

**23. SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee in accordance with M.C.A. 71-1-306(2). The

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successor trustee without conveyance of the Property, will succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.

**24. WAIVERS.** Except to the extent prohibited by law, Grantor waives all appraisement and homestead exemption rights relating to the Property.

**25. USE OF PROPERTY.** Grantor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Grantor becomes aware of such a violation, Grantor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if the Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnitee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Security Instrument or the related property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such property, then the Grantor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by the Lender in favor of the Grantor.

Violation of this provision is a material breach of this Security Instrument and thereby constitutes a default under the terms and provisions of this Security Instrument.

**26. REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR SECURITY INSTRUMENT.** Grantor and Lender request the holder of any mortgage, deed of trust, or other encumbrance with a lien which has priority over this Security Instrument to give notice to Lender, at Lender's address set forth on this Security Instrument of any default under the superior encumbrance and of any sale or other foreclosure action.

**27. AREA OF PROPERTY.** The area of the Property is not more than 40 acres.

**28. FIXTURE FILING.** Grantor gives to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument constitutes a financing statement and is to be recorded in the real estate records.

**29. PERSONAL PROPERTY.** Grantor gives to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Grantor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term Property). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

**30. APPLICABLE LAW.** This Security Instrument is governed by the laws of Montana, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

**31. JOINT AND SEVERAL LIABILITY AND SUCCESSORS.** Each Grantor's obligations under this Security Instrument are independent of the obligations of any other Grantor. Lender may sue each Grantor severally or together with any other Grantor. Lender may release any part of the Property and Grantor will still be obligated under this Security Instrument for the remaining Property. Grantor agrees that Lender and any

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Page 9

party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Grantor.

**32. AMENDMENT, INTEGRATION AND SEVERABILITY.** This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**33. INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

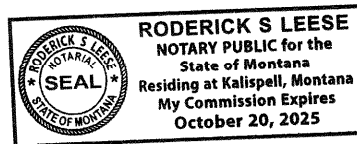
**34. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Grantor will be deemed to be notice to all Grantors. Grantor will inform Lender in writing of any change in Grantor's name, address or other application information. Grantor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

**SIGNATURES.** By signing, Grantor agrees to the terms and covenants contained in this Security Instrument. Grantor also acknowledges receipt of a copy of this Security Instrument.

**GRANTOR:**

M & K Distributing LLC

By Mark Noland member Date 8-7-2024  
Mark Noland, Member



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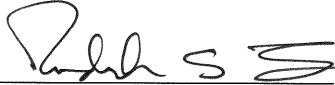
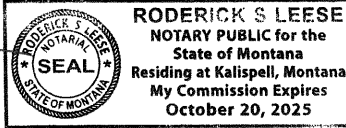
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Page 10

**ACKNOWLEDGMENT.**

STATE OF MONTANA, COUNTY OF FLATHEAD ss.

This record was acknowledged before me on August 7, 2024 (date) by (name(s) of individual(s)) Mark Noland as Member (type of authority) of or for M & K Distributing LLC, a Limited Liability Company on behalf of the Limited Liability Company (name of party on behalf of whom the record was executed).

  
(Signature of notarial officer)  
  
*Notary*  
(Title of officer (if not shown in stamp))  
My commission expires: 10/20/2025  
Residing at Kalispell

**REQUEST FOR RECONVEYANCE**

(Not to be completed until paid in full)

**TO TRUSTEE:**

The undersigned is the holder of the note or notes secured by this Security Instrument. Said note or notes, together with all other indebtedness secured by this Security Instrument, have been paid in full. You are hereby directed to cancel this Security Instrument, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Security Instrument to the person or persons legally entitled thereto.

.....  
(Authorized Lender Signature)

.....  
(Date)

M & K Distributing LLC

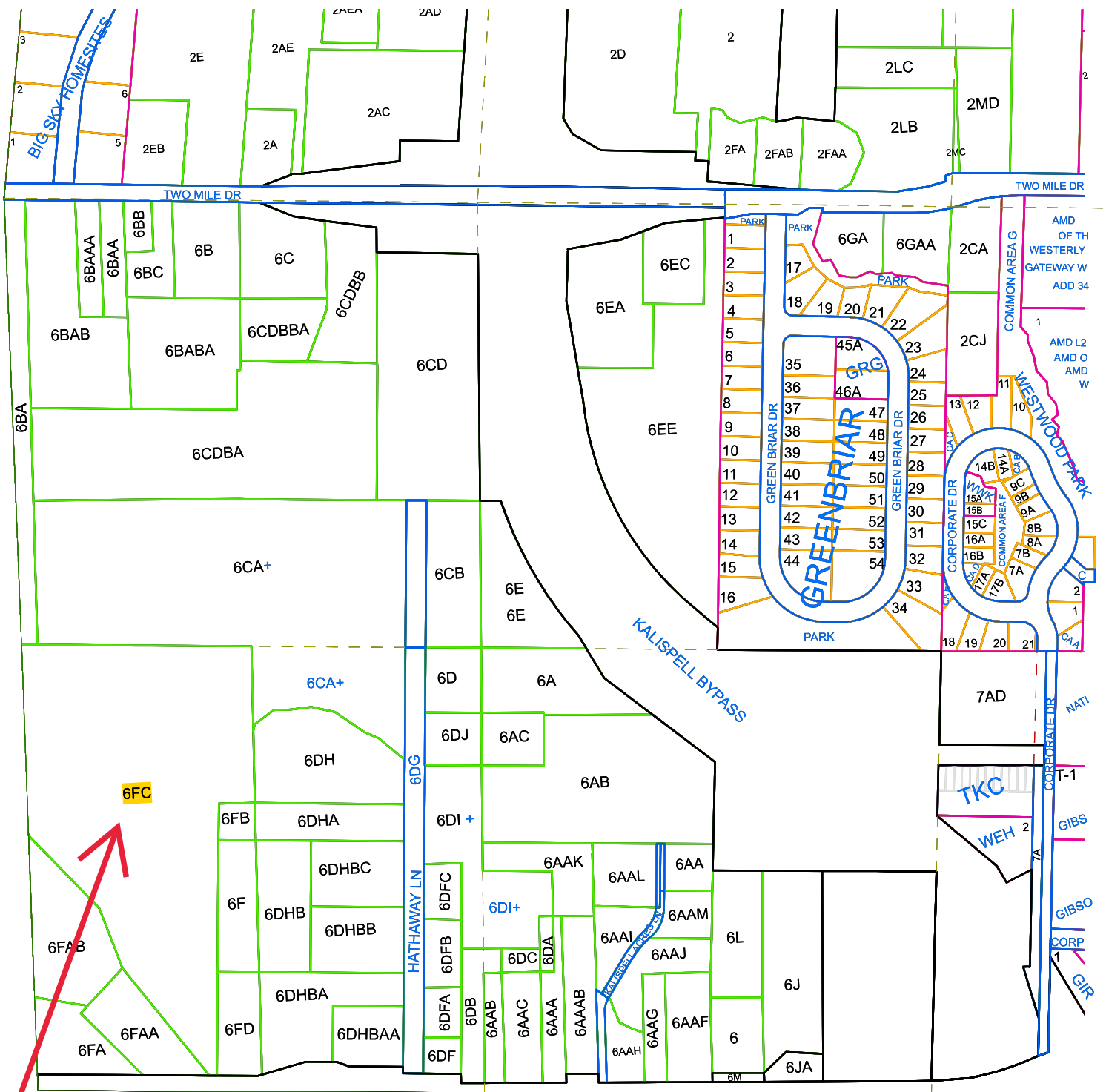
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Page 11



**SUBJECT**

The map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



12-28-22

By: **Larsen Engineering and Surveying, Inc., P.C.**  
 Civil Engineering and  
 Land Surveying  
 P.O. Box 2071  
 780 Two Mile Drive  
 Kellapell, Mont. 59901  
 Phone: 406-762-7800

**Donald R. Larsen, P.L.S.**  
**Jeff H. Larsen, P.E., P.L.S.**

## CERTIFICATE OF SURVEY

SW1/4 SW1/4, SECTION 12, T. 28 N., R. 22 W.  
 P.M.M., FLATHEAD CO., MONTANA

**PURPOSE: BOUNDARY LINE ADJUSTMENT**

100 0 100 200 300 Feet  
 HORIZONTAL SCALE 1" = 100'

### ENVIRONMENTAL EXEMPTION

I, Surveyor, certify that Tract 1 is exempt from review by the Montana Department of Environmental Quality because it is a continuation of an original tract created by a plat of a portion of the tract for purposes of transfer and the remainder is 1 acre in size or larger and the tract is not a subdivision of the tract. I certify that the tract is not a subdivision of the tract. I certify that the tract is not a subdivision of the tract.

### OWNER'S CERTIFICATE

I, hereby certify that the purpose of this division of land is to relocate common boundary line between adjoining properties, and no additional parcels are hereby created. Therefore, this division of land is exempt from review as a subdivision pursuant to Section 76-3-207(3)(c), M.C.A.

I own certify that this division of land for Tract 2 is exempt from review by the Montana Department of Environmental Quality because it is a division for acquiring additional land to become part of a parcel that does not have any restrictions imposed provided that no dwelling or structure existing within or adjacent to the parcel is altered, and no new dwelling or structure is constructed on the additional acquired parcel pursuant to Section 76-3-207(3)(c), M.C.A.

**First Interstate Bank Trustee**  
**Hazel Capps Trust**  
**Ray Kirk & Family**

### LEGAL DESCRIPTION

The Tracts of land, situate, lying and being in the Southeast 1/4 of Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana and more particularly described as follows:

#### Tract 1

Commencing at the Southwest corner of said Section 12, thence N 27°47'27" W, 278.63 feet along the west boundary of said Section 12 to the TRUE POINT OF BEGINNING of the tract of land being described, said point is the southwest corner of Deed Exhibit, Book 415, Page 361, Flathead County Records; thence southeasterly along said west boundary, N 27°47'27" W, 40.05 feet; thence along said west boundary, S 44°47'14" E, 302.83 feet; thence S 27°47'27" E, 160.84 feet to a point that lies on the south boundary of said Deed Exhibit, thence the following courses are along said south boundary: S 47°17'27" W, 152.42 feet; N 87°22'07" W, 161.08 feet to the point of beginning. Containing 1.96 acres of land.

#### Tract 2

Commencing at the Southwest corner of said Section 12, thence N 27°47'27" W, 40.05 feet along the west boundary of said Section 12 to the north right of way of U.S. Highway No. 2, thence N 87°50'07" E, 512.80 feet along said north right of way to the TRUE POINT OF BEGINNING of the tract of land being described, said point lies on the south boundary of Deed Exhibit, Book 415, Page 361, Flathead County Records; thence southeasterly along said north right of way, N 38°52'47" E, 40.12 feet along said north boundary; thence along said north boundary, N 27°47'27" W, 160.84 feet; thence N 44°47'14" E, 302.83 feet to the west boundary of said Section 12, thence N 87°22'07" W, 507.15 feet to the SW corner of the west boundary of said Section 12, thence N 87°50'07" E, 684.37 feet; thence S 47°17'27" E, 464.27 feet; thence S 88°11'11" W, 106.83 feet; thence S 87°13'58" E, 106.77 feet; thence S 87°22'07" E, 160.84 feet; thence S 27°47'27" E, 503.62 feet to said North right of way, thence S 87°50'07" W, 22.18 feet along said north right of way to the point of beginning. Containing 13.27 acres of land.

The map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

**SUBJECT**



### CERTIFICATE OF SURVEYOR

**Jeff H. Larsen** 603289  
 JEFF H. LARSEN, REGISTRATION NUMBER 9250-ES  
 APPROVED: 4/6/99  
 EXAMINING LAND SURVEYOR REGISTRATION NUMBER 5618

STATE OF MONTANA  
 COUNTY OF Flathead  
 FILED THIS 24 DAY OF June 1999 A.D.  
 AT 02:50 O'CLOCK P.M.  
**Susan W. Haversfield**  
 CLERK AND RECORDER  
 BY: **Char Terry**  
 DEPUTY

INSTRUMENT RECORD NUMBER 999/7510150  
 SHEET 1 OF 1 SHEETS  
**CERTIFICATE OF SURVEY NO. 13896**

### LEGEND

- SECTION CORNER (AS NOTED)
- 1/4 CORNER (AS NOTED)
- CENTER OF SECTION (AS NOTED)
- 1/16 CORNER (AS NOTED)
- FOUND (AS NOTED)
- 1/2" x 24" REBAR WITH PLASTIC CAP STAMPED LARSEN 9250-ES

For: **Dennis Osburn**  
 Owner: **HAZEL CAPPS LIVING TRUST**  
 Date: **April 1999**  
 NOTE: ALL DISTANCES ARE IN FEET

