

11-24-2009

Bagley v. Madison Real Property Appendix Dckt. 39799

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IN THE SUPREME COURT OF THE STATE OF IDAHO

NICHOLAS A. THOMASON, Appellant
SANDRA K. THOMASON, Appellant
BYRON T. THOMASON, Appellant
MARILYNN THOMASON, Appellant

Appeal No. 36086
From CV-08-271

v.

MADISON REAL PROPERTY, LLC.

APPELLANTS' JOINT APPENDIX

Appealed from the District Court of the 7th Judicial District For and In
Madison County, Idaho.

**Honorable Judge Moss, Honorable Judge Woodland, Honorable
Judge Moeller (District Judges) and Honorable Magistrate
Judge Rammell.**

Pro-se, Joint Appellants

**Nicholas A. Thomason
Sandra K. Thomason
5293 S. 4300 W.
Rexburg, Idaho 83440**

(and)

Pro-se, Joint Appellants

**Byron T. Thomason
Marilynn Thomason
485 N. 2nd E. (105-273)
Rexburg, Idaho 83440**

William Forsberg (Legal Counsel for Respondent)

49 Professional Plaza
Rexburg, Idaho 83440

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FROM:

Nicholas A. Thomason
5293 South 4300 West and
Rexburg, Idaho 83440

Byron T. Thomason

All correspondence are only received
and acknowledged by fax 208-356-4536

DATE: March 31, 2008

TO: William Forsberg, Colleen Forsberg and Madison Real Properties, LLC.
Letter sent to Forsberg (208-656-0010) by fax to confirm receipt.

RE: YOUR MARCH 27, 2008 LETTER TO THE THOMASONS

Dear Sir, Madame and LLC Officer(s):

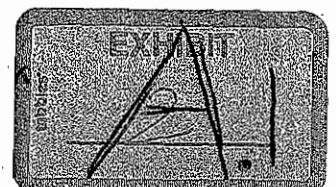
With regards to the claim you have allegedly deeded to Madison Real Properties, LLC., and entity which you had formed on March 17, 2008, registered with the Idaho Secretary of State on March 17, 2008, number W72391, you being the manager/organizer, as you are aware, the property in question is a property in trust. If in fact the deeds you created deeding to yourselves; William Forsberg and Colleen Forsberg, is upheld upon the completion of the ongoing fraud on the court investigation, which includes any and all actions of officers of the court, including actions taken in the Thomason Farms, Inc.'s chapter 12 bankruptcy and adversary cases, you are restricted to the trust and any attempt to transfer any portion of the property attempting to create a bona fide purchaser may constitute fraud.

If in fact you have deeded to any entity and/or individual any portion of the real property in trust, is a further violation of the trust and is view as additional attempts to launder deeds and defraud the owners of their real property.

We will not meet with you to divide any portion of the property in question.

Sincerely,

Nicholas A. Thomason
Byron T. Thomason



3.a. Denied. This court does not have jurisdiction over the subject matter. The property described in these proceedings, are lands in dispute in the Greg V. Thomason and the Diana (Maycock) Thomason chapter 7, liquidation estate, Bankruptcy Case 03-42400, Adversary Case 04-6134 of which plaintiffs owner and counsel, William Foresberg was party to. In addition, William Foresberg is currently named a officer of the court that has aided Greg V. Thomason and Diana (Maycock) Thomason in committing fraud on the court. Fraud on the court had been filed in the bankruptcy proceedings and is still pending. No decision has yet been received by the defendants, Byron Thomason and/or Marilyn Thomason from the Department of Justice, the B.A.P. nor the District Court.

3.b. Fraud claims filed and bankruptcy dockets filed in the Greg V. Thomason and Diana (Maycock) Thomason chapter 7, liquidation case, 03-42400 and 04-6134 will be supplied to this court and all parties concerned only if it would serve justice and this court so requires. This is being done solely to protect any rights of the innocent.

3.c. Any and all other claims and/or allegations, stated and/or implied are hereby denied. Upon discovery, defendants reserve all rights to amend these responses.

ALLEGATION 4

4. This court has jurisdiction over the subject matter of this case pursuant to Idaho Code, S 1-705.

RESPONSE TO ALLEGATION 4

4.a. Denied. This court does not have jurisdiction over the subject matter. The property described in these proceedings, are lands in dispute in

the Greg V. Thomason and the Diana (Maycock) Thomason chapter 7, liquidation estate, Bankruptcy Case 03-42400, Adversary Case 04-6134 of which plaintiffs owner and counsel, William Foresberg was party to. In addition, William Foresberg is currently named a officer of the court that has aided Greg V. Thomason and Diana (Maycock) Thomason in committing fraud on the court. Fraud on the court had been filed in the bankruptcy proceedings and is still pending. No decision has yet been received by the defendants, Byron Thomason and/or Marilyn Thomason from the Department of Justice, the B.A.P. nor the District Court.

4.b. Fraud claims filed and bankruptcy dockets filed in the Greg V. Thomason and Diana (Maycock) Thomason chapter 7, liquidation case, 03-42400 and 04-6134 will be supplied to this court and all parties concerned only if it would serve justice and this court so requires. This is being done solely to protect any rights of the innocent.

4.b. Any and all other claims and/or allegations, stated and/or implied are hereby denied. Upon discovery, defendants reserve all rights to amend these responses.

ALLEGATION 5

5. Venue is proper in Madison County pursuant to Idaho Code, S 5-401 and S 5-404.

RESPONSE TO ALLEGATION 5

5.a. Denied. This court does not have jurisdiction over the subject matter. The property described in these proceedings, are lands in dispute in the Greg V. Thomason and the Diana (Maycock) Thomason chapter 7, liquidation estate, Bankruptcy Case 03-42400, Adversary Case 04-6134 of

APR-16-2003 10:57

P.03/85

242485

Regarding: Verbal Agreement Between Charles, Doralee, Byron, Nicholas, and Greg Thomason in December 1984.

This memorandum is to acknowledge a verbal agreement entered into between Charles and Doralee Thomason and their now surviving sons, Byron, Nicholas, and Greg Thomason in December 1984, in which it was agreed that Charles and Doralee would transfer the following properties, (see attached land descriptions) and cattle to Byron, Nicholas, and Greg Thomason. The house and homestead property (see attached descriptions) is to be transferred solely to Byron Thomason.

The land that is in question is listed below:

HADISON COUNTY:

Microfilm
County of Madison
notary certify that on within incument was
had 04.02.1993
at 11:12 AM and
Recorded on File
PETER REESE Notarical
Deputy
Byron Thomason

MICROFILMED
242485

Southeast quarter of the Southwest quarter and the Southwest quarter of the Southeast quarter of Section 2 (Two), Township 5 North, Range 39 East of the Boise Meridian together with three shares of water in the Reed Canal Company and all other water and/or mineral rights of every kind and nature thereunto belonging or in anywise appertaining.

(The house and homestead property are included in the Southeast quarter of the Southwest quarter and the Southwest quarter of the Southeast quarter of Section 2 (two), Township 5 North, Range 39 East of the Boise Meridian description, however, the house and homestead property are to be transferred solely to Byron Thomason.)

TEION COUNTY:

SE1/4NW1/4 Section 31, Township 6 North, Range 45 East, Boise Meridian, together with all water and/or mineral rights of every kind and nature thereunto belonging or in anywise appertaining.

In consideration of these transfers, Byron, Nicholas, and Greg agree to pay rents, taxes, utilities, maintenance on property, home, and one automobile, home and content insurance, auto insurance and all life insurance policies for a period of six years, ending December 1990.

Upon completion of the sixth year, Charles and Doralee agree to transfer the above described properties to Byron, Nicholas, and

Greg. The above property will remain in the direct and equal ownership of Byron, Nicholas, and Greg Thomason, as long as Byron, Nicholas, and/or Greg Thomason continue to farm. In the event of their (Byron, Nicholas, or Greg) death or voluntary leaving the farm operation, their individual payout will not exceed the \$20,000 (twenty thousand dollars), and all rights and claims are cancelled for above said property.

242435

It is also agreed that Charles and Doralee may continue to live in the home.

In behalf of the late Roger Thomason, it is agreed that within 12 (twelve) months from the passing of both Charles and Doralee Thomason, Byron, Nicholas, and Greg Thomason will setup and manage, as they jointly see fit, a perpetual trust.

This trust will total and not exceed \$20,000 (twenty thousand dollars). The annual interest payable from this trust is to be paid to Lesann and Valerie Thomason. Each girl will receive 1/4 (one quarter) of the total annual interest on their individual birthday and 1/4 (one quarter) of the total annual interest on Christmas Eve. The first of the interest payments is to be made after 12 (twelve) months from the date the trust is setup and will continue until the death of Lesann and Valerie Thomason. All taxes and trust fees are to be paid equally by the recipients of the interest. At no time will any heir of Lesann and/or Valerie, including and not limited to parents, siblings, spouses, children, and/or relatives have any claim to this trust or the trust interest.

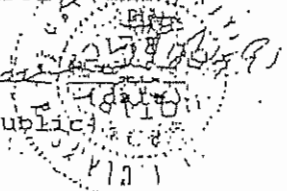
HIS MARK
11

Charles G. Thomason 25 Aug 91 (date) Doralee Thomason 25 Aug 91 (date)

Byron T. Thomason 8/25/91 (date) Nicholas A. Thomason 8/25/91 (date)

Greg V. Thomason 8/25/91 (date) Greg Crawford (date)
(Witness/Notary Public)

STATE OF IDAHO,)
35,
County of Madison.)



On this 25th day of August, 1991, before me, the undersigned a Notary Public in and for said State, personally appeared CHARLES G. THOMASON, BYRON T. THOMASON, GREG V. THOMASON, DORALEE THOMASON, and NICHOLAS A. THOMASON, known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

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

William Forsberg
Notary Public for Idaho
Residing at Raxburg, Idaho
My Commission Expires: 2002 9/2

A.5

APR-18-2005 10:59

P.05/05

On this 27th of March 1997, in the presence of Marilyn Thomson, these agreements were discussed, agreed, written and signed by Byron Thomson, Nicholas Thomson and Greg Thomson with regards to the farmstead property, located south, east and west of the homestead property owned by Byron Thomson (3616 South 1000 West, Burton area of Rexburg, Madison County, State of Idaho) and presently occupied by Doralee Thomson.

The following written agreements are now and forever irrevocable.

It is unanimously agreed that:

The farmstead property shall now and always be farmed by Thomson Farms, Inc.

All crops grown on the farmstead property shall be the property of Thomson Farms, Inc. and will be included on and in all USDA annually crop reports and government agricultural programs under the name of Thomson Farms, Inc.

Any debts to Byron, Nicholas and Greg Thomson shall be in the form of farmstead taxes, assessments, farm expenses, etc. incurred by Thomson Farms, Inc. with relations to growing crops on the farmstead property and maintaining farm equipment used on the farmstead property.

At no time, present and/or in the future, will Byron, Nicholas and/or Greg Thomson sell, deed, transfer, borrow, obligate, gift, grant, surrender, give, will, etc. their individual share, ownership and/or rights in the farmstead property to any individual, group and/or entity other than to the other current property owners, which are Byron T. Thomson, Nicholas A. Thomson and Greg V. Thomson.

Byron, Nicholas and/or Greg Thomson can only sell, gift, grant, deed, surrender, transfer, etc. their individual share, ownership, and/or all other present and future rights to the farmstead property (including all water and mineral rights) to the remaining owners, (Byron T. Thomson, Nicholas A. Thomson and/or Greg V. Thomson) for a sum that shall not exceed \$20,000.00 (twenty thousand United States dollars) total, of which the funds are to be placed into a trust and the interest will be paid annually to Leanna Thomson and Valeria Thomson beginning one year after the death of Doralee Thomson. (See previous agreement for added details on interest disbursements as filed with the recorder's office in Madison County.)

Warranty deed
open stand

Madison Co # 242484
242485
242957

Byron Thomson

I HEREBY CERTIFY THE FOREGOING INSTRUMENT TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE IN MY OFFICE

RX29191
First American Title Company

DATED March 29, 2004
MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

WARRANTY DEED
(Correction Deed for Instrument #292153)

M. Rasmussen
Deputy value received, Greg Thomason and Diana Thomason, husband and wife, the grantors, do hereby grant, bargain, sell and convey unto William Forsberg, of 127 East Main, Rexburg, Idaho, 83440, grantee, and to grantee's heirs and assigns forever, all grantors' one third undivided interest in and to the following described real estate located in Madison County, Idaho:

See attached description

IN WITNESS WHEREOF, grantors have hereunto subscribed their names to this instrument this 7 day of March, 2002.

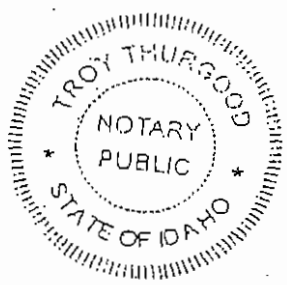
Greg Thomason
Greg Thomason

Diana Thomason
Diana Thomason

STATE OF IDAHO)
) ss
County of Madison)

On this 7 day of March, 2002, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Greg Thomason and Diana Thomason, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

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



Troy Thurgood
Notary Public for Idaho
Residing at: Rexburg, Idaho
My Commission Expires: 1/2/07

Instrument # 294464
REXBURG, MADISON, IDAHO
2002-03-07 02:24:00 No. of Pages: 2
Recorded for: FIRST AMERICAN TITLE
MARILYN R. RASMUSSEN Fee: 6.00
Ex-Officio Recorder-Deputy

Warranty Deed

DAVIT OF WILLIAM FORSBERG
E 70

A.7

Description of Property

Township 5 North, Range 39 E.B.M., Madison County, Idaho
Section 2: SE1/4SW1/4; SW1/4SE1/4

EXCEPT: Commencing at the NW corner of the SE1/4SE1/4 of Section 2, Township 5 North, Range 39 East, Boise Meridian, Madison County, Idaho, and running thence W. 54 feet; thence S. 673 feet; thence E. 54 feet; thence N. 673 feet to the point of beginning.

ALSO EXCEPT: Commencing at a point that is S. 3935.88 feet from the SE corner of Section 34, Township 6 North, Range 39 E.B.M., Madison County, Idaho, and running thence W. 260.00 feet; thence N. 260.00 feet; thence E. 260.00 feet; thence S. 260.00 feet to the point of beginning. ALL of the above described land is contained in the SE1/4SW1/4 of said Section 2, Township 5 North, Range 39 East, Boise Meridian, Madison County, Idaho.

Contains 1.55 acres less the County road right-of-way.
This property also contains 70 foot Case Well.

ALSO EXCEPT: Commencing at the S1/4 corner of said Section 2 (said point is an aluminum cap on a 5/8" steel rod) and running thence N. 89°27'12" W. 782.00 feet along the section line, more or less, to a county road right-of-way; thence N. 0°16'48" W. 1082.00 feet to the True Point of Beginning; thence E. 650.00 feet; thence N. 0°16'48" W. 272.00 feet to a county road; thence W. 650.00 feet to a county road intersection; thence S. 0°16'48" E. 272.00 feet to the True Point of Beginning.

ALSO EXCEPT: county roads.

AND

Township 5 North, Range 38 E.B.M., Madison County, Idaho
Section 1: SE1/4SE1/4
Section 12: NE1/4NW1/4; S1/2NW1/4; N1/2NE1/4; SW1/4

Together with 6 shares of the capital stock of the Liberty Park Irrigation Co., and together with all appurtenances.

Together with all improvements, water, water rights, ditches, ditch rights, easements, hereditaments and appurtenances thereto. And the said grantors do hereby covenant for themselves, their heirs and assigns to and with the said grantee, that they are the owners in fee simple of said premises; that said premises are free from all encumbrances and that they will warrant and defend the same from all lawful claims whatsoever.

Thomason and Byron T. Thomason per the March 27, 1997 agreement. Greg Thomason failed to sign the deeds and the deeds remained unfiled with the appropriate counties until Attorney Chuck Carr retired and went to Europe for a few months. Prior to Attorney Chuck Carr's departure, Byron Thomason and Nicholas Thomason were advised by Attorney Chuck Carr and Attorney Bart Davis to file the deeds even though Greg V. Thomason refused to sign. As shown by the county records, the deeds were filed in 2001.

Once Thomason Farms, Inc. filed into its chapter 12 (case no. 98-40278) UAP and Greg and Diana Thomason filed proof of claims against Thomason Farms, Inc. for debt claimed as debt incurred by B.N.G. Partnership between 1993 and 1996. (Memorandum Decision, case no. 99-6036, February 21, 2002, page 9, lines 15 and 16, page 10, line 1.)

After the 12 day trial, a judgment was rendered on its merit and it was ordered that UAP was owed a reduce amount of its claim against Thomason Farms, Inc. for the former B.N.G. Partnership debt and that Greg V. Thomason had a judgment against him for excess funds Greg V. Thomason took out of B.N.G. Partnership when in a fiduciary position, as the financial manager of both B.N.G. Partnership and Thomason Farms, Inc. (Memorandum Decision, bankruptcy 12, case no. 98-40278, adversary no. 99-6036, filed February 21, 2002, docket number 114, total pages, 79.)

The court stated in its February 21, 2002, memorandum decision, page 6, II. Facts, lines 1 and 2,

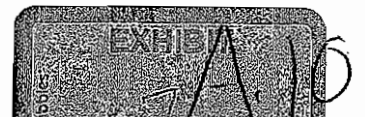
"As indicated, many of the dealings of and between the parties are disputed, However, the following essential facts seem uncontested."

"The decision was then made that BNG be dissolved and the Plaintiff assume all its assets and just debts.
Exhibit 313."



Issued by

First American Title Company
535 First American Circle, Rexburg, ID 83440
Title Officer: Scott Stears
Phone: (208)356-3653
FAX: (208)356-3669



LITIGATION GUARANTEE

SUBJECT TO THE LIMITATIONS CONTAINED HEREIN, THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

First American Title Insurance Company
a California corporation, herein called the Company

GUARANTEES

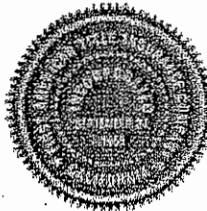
the Assured named in Schedule A against loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, as of Date of guarantee shown in Schedule A:

1. The title to the herein described estate or interest is vested in the vestee named in Schedule A.
2. Except for the matters shown in Schedule B, there are no defects, liens, encumbrances or other matters affecting title to the estate of interest in the Land shown in Schedule A, which matters are not necessarily shown in the order of their priority.
3.
 - a) The current interest holders claiming some right, title or interest by reason of the matters shown on Part II of Schedule B are as shown therein. The vestee named in Schedule A and parties claiming to have some right, title or interest by reason of the matters shown in Part II of Schedule B may be necessary to name defendant in an action, the nature of which is referred to in Schedule A.
 - b) The current interest holders claiming some right, title or interest by reason of the matters shown in Part I of Schedule B may also be necessary to name defendant in an action, the nature of which is referred to in Schedule A. However, no assurance is given hereby as to those current interest holders.
4. The return addresses for mailing after recording, if any, as shown on each and every document referred to in Part II of Schedule B by specific recording information, and as shown on the document(s) vesting title as shown in Schedule A are as shown in Schedule C.

This Litigation Guarantee is furnished solely for the purpose of facilitating the filing of the action referred to in Schedule A. It shall not be used or relied upon for any other purpose.

First American Title Insurance Company

BY *Carl B. Johnson* PRESIDENT
 ATTEST *Christy [Signature]* SECRETARY



First American Title Company

By: *Lawrence H. [Signature]*

AUTHORIZED SIGNATORY

A. 11

**SCHEDULE A
LITIGATION GUARANTEE**

LIABILITY: \$ 100,000.00

GUARANTEE NO.: 251008-RX

FEE: \$ 605.00

ORDER NO.: 251008-RX

1. Name of Assured:

William Forsberg

2. Date of Guarantee: March 13, 2008 at 7:30 A.M.

3. This Litigation Guarantee is furnished solely for the purpose of facilitating the filing of an action to Partition Action :

4. The estate or interest in the land which is covered by this guarantee is:
Fee Simple

5. Title to the estate or interest in the Land is vested in:

William Forsberg and Byron Thomason, also shown of record as Byron T. Thomason, and Nicholas Thomason, also shown of record as Nicholas A. Thomason, presumptively subject to the community interest of their spouses if married on the date of acquiring title, each as to an undivided one-third interest

6. The Land referred to in this Guarantee is described as follows:

Township 5 North, Range 39 E.B.M., Madison County, Idaho

Section 2: SE $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

EXCEPT: Commencing at the NW corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, and running thence W. 54 feet; thence S. 673 feet; thence E. 54 feet; thence N. 673 feet to the point of beginning.

ALSO EXCEPT: Commencing at a point that is S. 3935.88 feet from the SE corner of Section 34, Township 6 North, Range 39 E.B.M., Madison County, Idaho, and running thence W. 260.00 feet; thence N. 260.00 feet; thence E. 260.00 feet; thence S. 260.00 feet to the point of beginning. ALL of the above described land is contained in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 2.

ALSO EXCEPT: Commencing at the S $\frac{1}{4}$ corner of said Section 2 (said point is an aluminum cap on a 5/8" steel rod) and running thence N. 89°27'12" W. 782.00 feet along the section line, more or less, to a county road right-of-way; thence N. 0°16'48" W. 1082.00 feet to the True Point of Beginning; thence E. 650.00 feet; thence N. 0°16'48" W. 272.00 feet to a county road; thence W. 650.00 feet to a county road intersection; thence S. 0°16'48" E. 272.00 feet to the True Point of Beginning.

ALSO EXCEPT: county roads.

SCHEDULE B

Defects, liens, encumbrances or other matters affecting title:

Part I:

1. 2008 taxes are an accruing lien, not yet due and payable until the fourth Monday in November of the current year. The first one-half is not delinquent until after December 20 of the current year, the second one-half is not delinquent until after June 20 of the following year. Taxes which may be assessed and entered on the property roll for 2007 with respect to new improvements and first occupancy, which may be included on the regular property, which are an accruing lien, not yet due and payable.

General taxes as set forth below. Any amounts not paid when due will accrue penalties and interest in addition to the amount stated herein:

Year	Original Amount	Amount Paid	Parcel Number
1998	\$1,072.38	\$-0-	RP05N39E028403A
1999	\$1,056.86	\$-0-	RP05N39E028403A
2000	\$1,182.96	\$-0-	RP05N39E028403A
2001	\$1,313.36	\$-0-	RP05N39E028403A
2002	\$1,163.22	\$-0-	RP05N39E028403A
2003	\$1,127.54	\$-0-	RP05N39E028403A
2004	\$1,566.88	\$-0-	RP05N39E028403A
2005	\$309.88	\$-0-	RP05N39E028403A
2006	\$279.86	\$-0-	RP05N39E028403A
2007	\$273.48	\$-0-	RP05N39E028403A

Homeowners Exemption is not in effect for 2007.
Circuit breaker is not in effect for 2007.

2. Levies and assessments of Fremont-Madison Irrigation District.
3. Right-of-way granted to Mountain States Telephone and Telegraph Company, recorded in Book 73 of Miscellaneous, Page 610.
4. All matters, and any rights, easements, interests or claims which may exist by reason thereof, disclosed by survey recorded December 3, 1993, as Instrument No. 249505.
5. Notice of Claim and Claim of Attorney's lien.
Claimant: Jay A. Kohler, Attorney at Law
Debtor: Byron Thomason, Marilyn Thomason, Nicholas Thomason, Sandra Thomason and Thomason Farms, Inc.
Amount: \$ 35,000.00
For: Legal services rendered
Recorded: February 7, 2006, as Instrument No. 325814.

SCHEDULE C

Addresses

Paragraph Number: **Schedule A - Paragraph 5**
Recording Information:
Name and **William Forsberg**
Mailing Address: **49 Professional Plaza, Rexburg ID 83440; 238 N. 5 E., Saint Anthony, ID 83445**

Paragraph Number: **Schedule A - Paragraph 5**
Recording Information:
Name and **Byron Thomason, also shown of record as Byron T. Thomason**
Mailing Address: **2820 S. 25th E. PMB 2-8, Idaho Falls, ID 83404; 7276 W 3200th S, Apt 3200, Rexburg, ID 83440-3907**

Paragraph Number: **Schedule A - Paragraph 5**
Recording Information:
Name and **Nicholas Thomason, also shown of record as Nicholas A. Thomason**
Mailing Address: **5293 S. 4300 W., Rexburg ID 83440**

Paragraph Number: **Schedule B - Part I, Paragraph 5**
Recording Information: **February 7, 2006, as Instrument No. 325814**
Name and **Jay A. Kohler, Attorney at Law**
Mailing Address: **482 Constitution Way Suite 313, Idaho Falls, ID 83402**

NOTE: Should you have any questions regarding items referred to herein, please contact **Scott Stears**, Title Officer, of **First American Title Company** at **P.O. Box 307, Rexburg, ID 83440**, or call **(208)356-3653**.

SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurance are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
 - (a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.
 - (b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.
 - (c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.
2. Notwithstanding any specific assurance which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
 - (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps, or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.
 - (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.
 - (c) The identity of any party shown or referred to in Schedule A.
 - (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

GUARANTEE CONDITIONS AND STIPULATIONS

1. Definition of Terms.

The following terms when used in the Guarantee mean:

- (a) "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule (A) (C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A) (C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

2. Notice of Claim to be Given by Assured Claimant.

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the manner or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. No Duty to Defend or Prosecute.

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
- (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. Proof of Loss Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such Assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company, pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

A. 15

6. Options to Pay or Otherwise Settle Claims; Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim Assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

7. Determination and Extent of Liability:

This Guarantee is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee:

The Liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) the amount of liability stated in Schedule A or in Part 2;

(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage Assured against by this Guarantee occurs, together with interest thereon; or

(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance Assured against by this Guarantee.

8. Limitation of Liability.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter Assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.

(c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

9. Reduction of Liability or Termination of Liability.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

10. Payment of Loss.

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

11. Subrogation Upon Payment or Settlement.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

12. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the amount of liability is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

13. Liability Limited to This Guarantee; Guarantee Entire Contract.

(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

14. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at 1 First American Way, Santa Ana, California, 92707.



First American Title Company

535 First American Circle, Rexburg, ID 83440
Phone (208)356-3653 - Fax (208)356-3669

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information, particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at www.firstam.com.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

205. **lines 1 through 4.)**

206. In March, 1998, due to the liens and pending foreclosures,
207 against Thomason Farms, Inc., and Greg's unwillingness to bring forth the
208 documents, Thomason Farms, Inc. filed into a chapter 12 bankruptcy.

209. 2000, Thomason Farms, Inc. and the partners of B.N.G. received
210 notice that the IRS was going to do a audit on the returns filed in 1998 for the
211 tax year of 1997. **(EX G) Diana Depo and Ex H^{H2} Seidemen Letter)**

212. Of all the creditors filed in the Thomason Farms, Inc. chapter 12, only
213 two creditors claims were not withdrawn, UAP and Greg and his wife,
214 Diana Thomason.

215. Of the remaining two, UAP was given a reduced judgment against
216 Thomason Farms, Inc. for B.N.G. Partnership debt transferred into Thomason
217 Farms, Inc. per the March 27, 1997 agreement. **(Ex D^{Ex H1}) Adversary case no.**
218 99-6036, Plaintiffs Exhibit Book 26, pages 37, 38 and 39.

219. The Memorandum of Decision stated that the court could not
220 reasonable believe with all the levels of audits by UAP to assure the accuracy
221 of their accounts could the court believe that any testimony of Marilyn (Lynn)
222 Thomason could be correct.

223. b. Greg Thomason and William Foresberg had knowledge that
224 the March 23, 1997 agreement had been signed and was in existence having
225 knowledge of the deposition of Diana Thomason, April 13, 2000 at 9:35 a.m.
226 "...IRS--what do you call it when they send those in, that Lynn sent in on '97
227 and so they've done an audit now on the farm, which we're happy about
228 because now it shows an independent person that can come in."
229 **(Ex G Diana Thomason Deposition, April 13, 2000, 9:35 a.m. page 35,**
230 **lines 1 through 4.)**

FRAUD ON THE COURT
Bankruptcy Adv Case, Idaho No. 04-6134
and

FRAUD
03-42400
Diana Thomason
y Chapter 7

A-18

corporate president and Byron Thomason was secretary.

BNG was a general partnership which Byron, Nicholas and Greg Thomason created in 1991 to take maximum advantage of government benefit payment programs to grow crops on the land owned by Plaintiff. The corporation owned several parcels of real property that it leased to BNG Partnership. Greg's duties were to keep the books of both entities; arrange for credit for farming operations; make major purchases of farm inputs such as seed, fertilizer, and chemicals; to prepare and file income and other tax returns; and to otherwise generally manage the finances of the farming operation. However, in doing so, Greg was not given sole and exclusive power over the money and financial resources of BNG and Plaintiff. Both Byron and Greg maintained separate checking accounts in the name of BNG and Plaintiff. Each of the brothers had discretion to write checks and deposit funds of the partnership and corporation in these accounts in connection with daily operation of the business.

In his role as financial manager, Greg entered into contracts for the

¹ No disrespect is intended by the Court's frequent reference to various members of the Thomason family by their first names. Such is merely a matter of convenience and clarity.

Ex E. 146

A. 19

\$84.55 for gasoline purchases. Exhibit 6, pp. 120, 121, 125. Additionally, Plaintiff includes \$193.04 in charges for Sprint telephone service, and \$385.89 for U.S. West telephone service that Greg Thomason was entitled to under the agreement in which he leased his farmland to BNG or Plaintiff.

The taxable draws as shown in Plaintiff's Exhibit 6, page 126 total \$61,685.83. Of this amount, Greg Thomason has shown that \$38,286.93 were business expenses of BNG or were personal expenses which BNG was obligated to pay. The Court concludes that the excess draws paid to Greg Thomason for 1996 were \$23,398.90.

In summary, Greg Thomason received a total of \$119,643.25 in draws from 1993 to 1996 over and above the items that were either tax deductible to BNG, or for taxes, insurance, gasoline and utilities that he was entitled to receive from leasing his property to BNG.

In his reply brief, Greg Thomason sets forth an alternative ground for to explain the inequity of the amount of draws taken by the different partners. He asserts that the doctrine of quantum meruit entitled Greg Thomason to a greater draw than Byron or Nick because Greg did a greater share of the work by keeping

- Plaintiff's claim against Greg Thomason to recover the phantom "missing cash" is baseless, as is its various breach of fiduciary duty claims against Greg and Diana. However, as a fiduciary for the BNG partnership, Greg Thomason failed to justify and account for \$119,643.25 in excessive draws the evidence shows he took from the BNG partnership funds from 1993 to 1996. Greg is obliged to repay this amount to Plaintiff.

- The mutual claims Plaintiff and Greg Thomason hold against each other qualify for setoff under Idaho law and the Bankruptcy Code. When a setoff is effected, Greg's net obligation to Plaintiff amounts to \$86,439.47. Plaintiff is entitled to entry of a money judgment against Greg Thomason in this amount.

The parties are directed to cooperate and agree upon the prompt submission of an appropriate form of final judgment for entry by the Court consistent with this decision.

DATED This 21st day of February, 2002.


JIM D. PAPPAS
CHIEF U.S. BANKRUPTCY JUDGE

On March 18, 1997, we, Byron T. Thomason, Nicholas A. Thomason and Greg V. Thomason, did unanimously agree to end the Partnership, known as BNG Partnership (B.N.G. Partnership), each spelling meaning the same, and also agree to transfer certain assets and debt to Thomason Farms, Inc., an Idaho Corporation.

On this 27th day of March, 1997, we, Byron T. Thomason, Nicholas A. Thomason and Greg V. Thomason, do irrevocably transfer all true and honest debt of the above mentioned Partnership, known as BNG Partnership (B.N.G. Partnership) in addition to debt secured by assets that are owned jointly by and/or with Byron T. Thomason, Nicholas A. Thomason and Greg V. Thomason. Including debt and all expenses to Farm Credit Services: Agren Note Debt, Robert Erikson: Teton Pasture Note Debt, Utah Power: Prior Year Electric Power Debt, Madison County and Teton County: Prior Year Tax Debt and Tri State Tire: Repair & Service Debt.

In consideration for the transferring of these above mentioned debts, we, Byron T. Thomason, Nicholas A. Thomason and Greg V. Thomason, do also irrevocably transfer all proper and legal deeds of the following properties, including all known and unknown minerals and water shares:

AGREN PROPERTY: Township 5 North, Range 38 East, Boise Meridian, Madison County, Idaho.
Section 1: SE1/4SE1/4
Section 12: NE1/4NW1/4, S1/2NW1/4, N1/2NE1/4
Madison County, Idaho. Reference #234929
Jointly Owned By Byron, Nicholas and Greg Thomason.

TETON PASTURE: SE1/4NW1/4 Section 31, Township 6 North, Range 45 East, Boise Meridan, Teton County, Idaho Reference #110524
Jointly owned by Byron, Nicholas and Greg Thomason.

TETON PASTURE: Lots 2 and 3 in Section 31, Township 6 North, Range 45 East, Boise Meridian, Teton County, Idaho. Reference #'s 248865 and 248962, Warranty Deed and Robert Erikson Note, Teton Pasture.

Each owning equal shares. See additional reference letter from Sandra Briggs dated June 22, 1994 in reference to Instrument #248962.

Signed on this 27th day of March, 1997 and witnessed by Marilyn Thomason.

Marilyn Thomason

Byron T. Thomason

Greg V. Thomason EXE 707, A.22

Nicholas A. Thomason 000038

**B. N. G. PARTNERSHIP
FARM BALANCE SHEET**

03/31/93

ASSETS		LIABILITIES	
CASH		CURRENT LIABILITIES	
	\$15,194.55		
Receivables	\$227,700.00	Acct. Payable—See Exhibit A	\$290,167.35
Total Cash	\$242,894.55	F C S Payment	\$16,430.72
INVENTORY		Lease Payment	\$17,162.22
Potatoes 45,000 (400)	\$180,000.00	Taxes	\$5,556.95
		Sonja Thomason	\$20,000.00
Total Inventory	\$180,000.00	Total Current Liabilities	\$349,317.24
EQUIPMENT			
	\$76,000.00		
Combine	\$12,400.00		
Case Tractor	\$8,450.00		
Total Equipment	\$96,850.00		
CROP INVESTMENT		EQUIPMENT	
Disc 1500 Acres	\$12,000.00	Jl Case	\$3,946.00
Plow 20 Acres	\$300.00		
		Total Equipment	\$3,946.00
Total Crop Investment	\$12,300.00	Total Liabilities	\$353,263.24
OTHER ASSETS		REAL ESTATE LIABILITIES	
		Farm Credit	\$160,520.78
340 Agren	\$250,000.00	Total Real Estate	\$160,520.78
F C S Stock	\$6,380.00		
Total Other Assets	\$256,380.00		
		Net Worth	\$274,640.53
Total Assets	\$788,424.55	Total Net Worth & Liabilities	\$627,903.77

A.23
K. T. & F. H.

FARM CREDIT SERVICES
BALANCE SHEET

NAME: B.N.G. PARTNERSHIP
TO: _____

As of (date) MARCH 25, 1994
Member or Loan No. _____

ASSETS	APPLICANTS USE	ASSN. USE	LIABILITIES	APPLICANTS USE	ASSN. USE
Cash on Hand and in Banks Life Ins. Cash Value (F/V _____) Disaster ASCS pay, approx Accts. Notes, Contracts Rec MOUNTAIN HIGH Farm Products On Hand (Sch. A)	15,194.55 128,000.00 35,000.00 188,100.50		Operating Line: Creditor Total Comm. Due Int. Past Due or to Paid within 1 Yr.: Creditor Sec./Purp. Due First Sac Bank Acct. Payable (Ex A) FCS Payment J. R. Simplet	 50,000.00 88,147.44 18,430.72 105,000.00	
Growing Crops (Sch. B)	12,300.00		Real Estate Taxes Due CCC Liens on Stored Crops Other ASCs approx 15600 bu. (wheat under loan)	5,568.95 32,100.50	
Prepaid Expenses Supplies Marketable Livestock (Sch. C) No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____	0.00		TOTAL CURRENT LIABILITIES \$ Unmatured Debt (1 to 10 yr. terms): Creditor Sec./Purp. Yrs. Annual Rng. Payment	278,238.81	
Other TOTAL CURRENT ASSETS \$	378,596.05		J1 Cows	3,948.00	
Machinery and Equip (Sch. E) Port. Irrigation Equip Vehicles Production Livestock (Sch. D) No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____ No. _____ Kind _____ \$/HD. _____	98,860.00 0.00		C.C.C. Liens on Structures Other TOTAL INTERMEDIATE LIABILITIES \$ Liens on Real Estate: Creditor Int. Yrs. Annual Rng. Payment	3,948.00	
Notes & Contracts Receivable PCA Stock/FCS Stock Refirement Accounts Personal Property Other TOTAL INTERMEDIATE ASSETS \$	6,380.00 103,230.00		1. Farm Credit 2. 3. 4. 5. 6.	180,520.78	
Real Estate Acres Location Acquired			Liens on R.E. to be Mig.: Creditor Int. Yrs. Annual Rng. Payment		
1. 340 AGREN	250,000.00		Other Creditors Int. Yrs. Annual Rng. Payment		
2. 3. 4. 5. 6.			TOTAL LONG-TERM LIABILITIES \$ TOTAL LIABILITIES \$ NET WORTH \$ TOTAL LIABILITIES & NET WORTH \$	180,520.78 442,702.39 299,122.88 731,825.05	
Real Estate to be Mig. FLBA Stock Stock/Retains in Other Coops Other					
RE Sale Contracts Receivable: Purchaser Terms					
TOTAL FIXED ASSETS \$ TOTAL ASSETS \$	250,000.00 731,825.05				

Intangible Assets

Contingent Liabilities

Have you ever taken bankruptcy? _____ Explanation: _____
 Have you ever given a deed in lieu of foreclosure? _____
 Are there other names under which you are doing business? _____
 Have you filed all required income tax returns? _____
 Are any returns under dispute? _____
 Have you any judgments outstanding or suits or litigation pending? _____

I (we) certify that the information provided in the above financial statement (exclusive of the entries in the columns designated "Assn. Use") is complete and accurate best of my (our) knowledge. I (we) understand that a false statement or report of facts material to the approval of a Farm Credit Bank (FLE or PCA) loan, knowingly or may subject the maker to criminal liability under Federal criminal statutes as well as civil liability.

Signature: Steve Hameson for BNG Partnership

Date: 1/4/94

A24
UAP 0590

SCH. A - Products on Hand (S=Sale, U=Use)

Product	Quantity	Price	(S or U)	Applicant's Use	Assn. Use
POTATOES	26,000	6.00		156,000.00	
WHEAT	15800			32,100.50	
TOTAL				188,100.50	

SCH. B - Growing Crops (C=Cash Invest, M=Mature)

Crop	Acres	Price	(C or M)	Applicant's Use	Assn. Use
DISC 1500 ACRES				12,000.00	
PLOW 20 ACRES				300.00	
TOTAL				12,300.00	

SCH. C - Marketable Livestock

Number	Kind	Price	Applicant's Use	Assn. Use
TOTAL 0.00				

SCH. D - Production Livestock (Breeding, Dairy, etc.)

Number	Kind	Price	Applicant's Use	Assn. Use
TOTAL 0.00				

SCH. E - Machinery and Equipment

IMPORTANT: Equipment bought on conditional sales contract or under lien of any kind must be listed and valued separately, giving the lienholder's name and amount of lien.

Qty.	Year	Make	Size	Model	Item	Serial No.	Cond.	Applicant's Use	Assn. Use
					COMBINE			12,400.00	
					CASE TRACTOR			8,450.00	
					FARM EQUIP			76,000.00	
TOTAL								96,850.00	

SCH. F - Miscellaneous

Applicant's Use	Assn. Use
TOTAL 0.00	

A-25 UAP 0591

Exhibit A

Agri Tech	\$6,072.92
Cal Store	\$31.68
Commnet	\$477.97
Electrical	\$2,265.94
Fall River Elect	\$718.40
Fall River Elect	\$564.80
Fall River Elect	\$256.64
Fall River Elect	\$475.24
Farm Plan	\$8,417.07
FICA (Key Bank)	\$4,948.45
Gary Smith	\$500.00
Jerome Bowen	\$2,900.00
Les Schwab	\$0.00
Lott Trucking	\$115.11
Madison Ford-Mercury, Inc.	\$293.11
Mountina Land Comm	\$614.64
Parts Service	\$553.09
PDO	\$547.68
Petrolane	\$1,394.50
Schwendiman, Sutton & Simmo	\$0.00
Simmons Hardware	\$2,693.86
Simmons Equipment	\$128.88
Steiner	\$5,312.10
County Equipment	\$2,393.85
State Tire	\$4,705.32
Utah Power & Light	\$2,959.67
Utah Power & Light	\$4,084.66
Utah Power & Light	\$4,862.40
Utah Power & Light	\$5,793.21
Utah Power & Light	\$69.80
Utah Power & Light	\$466.87
Utah Power & Light	\$915.94
Utah Power & Light	\$1,673.23
Utah Power & Light	\$638.03
Utah Power & Light	\$490.15
Utah Power & Light	\$812.23
	<hr/>
	\$69,147.44

A.26
 UAP 0592

~~FILED 11/18/00~~

FARM CREDIT SERVICES BALANCE SHEET

NAME: Greg Thomason
TO: _____

As of (date) March 31, 1994
Member or Loan No. _____

ASSETS	APPLICANTS USE	ASSN. USE	LIABILITIES	APPLICANTS USE	ASSN. USE
Cash on Hand and in Banks	1,000.00		Operating Lines:		
Life Ins. Cash Value (F/V _____)			Creditor Total Comm. Due Int.		
Stocks and Bonds					
Accts. Notes, Contracts Rec					
Farm Products On Hand (Sch. A.)	0.00		Past Due or to Paid within 1 Yr.:		
			Creditor Sec./Purp. Due		
Growing Crops (Sch. B)	0.00				
Prepaid Expenses					
Supplies					
Marketable Livestock (Sch. C)	0.00		Real Estate Taxes Due	1,894.04	
No. _____ Kind _____ \$/HD. _____			CCC Liens on Stored Crops		
No. _____ Kind _____ \$/HD. _____			Other		
No. _____ Kind _____ \$/HD. _____					
No. _____ Kind _____ \$/HD. _____					
Other					
TOTAL CURRENT ASSETS \$	1,000.00		TOTAL CURRENT LIABILITIES \$	1,894.04	
Machinery and Equip (Sch. E)	0.00		Unmatured Debts (1 to 10 yr. terms):		
Port. Irrigation Equip			Creditor Sec./Purp. Yrs. Rmng. Annual Payment		
Vehicles			F.S. Bank unsec	2,292.67	2,500.00
Production Livestock (Sch. D)	0.00		FCS house	33,000.00	3,960.00
No. <u>18</u> Kind <u>cows</u> \$/HD. <u>500.00</u>	8,000.00		Ford Motor pickup	12,900.00	4,812.00
No. <u>7</u> Kind <u>calves</u> \$/HD. <u>400.00</u>	2,800.00		GMAC car	22,500.00	720.00
No. _____ Kind _____ \$/HD. _____					
No. _____ Kind _____ \$/HD. _____					
Notes & Contracts Receivable					
FCS Stock On House	1,370.00				
Railroad Accounts					
Personal Property					
Other					
TOTAL INTERMEDIATE ASSETS \$	12,170.00		TOTAL INTERMEDIATE LIABILITIES \$	71,892.67	
Real Estate			Liens on Real Estate:		
Acres Location Acquired			Creditor Int. Yrs. Rmng. Annual Payment		
1. _____			1. _____		
2. _____			2. _____		
3. _____			3. _____		
4. _____			4. _____		
5. _____			5. _____		
6. _____			6. _____		
Real Estate to be Mtg.			Liens on R.E. to be Mtg.:		
FBA Stock			Creditor Int. Yrs. Rmng. Annual Payment		
Stock/Retains in Other Coops					
Other					
263 1/3 share in Thomason Farms, Inc.	185,407.95				
1/3 interest in B.H.G. Partnership	98,374.22				
RE Sale Contracts Receivable:			Other Creditors		
Purchaser Terms			Int. Yrs. Rmng. Annual Payment		
TOTAL FIXED ASSETS \$	281,781.87		TOTAL LONG-TERM LIABILITIES \$	0.00	
TOTAL ASSETS \$	274,951.87		TOTAL LIABILITIES \$	73,386.71	
			NET WORTH \$	201,565.16	
			TOTAL LIABILITIES & NET WORTH \$	274,951.87	
Intangible Assets			Contingent Liabilities		

Have you ever taken bankruptcy? _____ Explanation: _____
 Have you ever given a deed in lieu of foreclosure? _____
 Are there other names under which you are doing business? _____
 Have you filed all required income tax returns? _____
 Are any returns under dispute? _____
 Have you any judgments outstanding or suits or litigation pending? _____

I (we) certify that the information provided in the above financial statement (exclusive of the entries in the columns designated "Assn. Use") is complete and accurate best of my (our) knowledge. I (we) understand that a false statement or report of facts material to the approval of a Farm Credit Bank (FNB or PCA) loan, knowingly may subject the maker to criminal liability under Federal criminal statutes as well as civil liability.

Signature _____

Date 4/4/94

DEFENDANTS' JOINDER JOINT MOTION FOR RECONSIDERATION PAGE 782

A27
UAP 0595

SCH. A - Products on Hand (S=Sale, U=Use)

SCH. B - Growing Crops (C=Cash Invest., M=Mature)

Product	Quantity	Price	S or U	Applicant's		Crop	Acres	Price	C or M	Applicant's	
				Use	Assn. Use					Use	Assn. Use
TOTAL					0.00						0.00

SCH. C - Marketable Livestock

SCH. D - Production Livestock (Breeding, Dairy, etc.)

Lumber	Kind	Price	Applicant's		Number	Kind	Price	Applicant's	
			Use	Assn. Use				Use	Assn. Use
TOTAL				0.00					0.00

SCH. E - Machinery and Equipment

IMPORTANT: Equipment bought on conditional sales contract or under lien of any kind must be listed and valued separately, giving the lienholder's name and amount of lien.

Qty.	Year Make	Size	Model	Item	Serial No.	Cond.	Applicant's		
							Use	Assn. Use	
TOTAL									0.00

SCH. F - Miscellaneous

			Applicant's	
			Use	Assn. Use
TOTAL				0.00

A 28
UAP 0596
EXE
110000024

**THOMASON FARMS, INC.
FARM BALANCE SHEET**

03/31/93

ASSETS		LIABILITIES	
Cash	\$874.28	CURRENT LIABILITIES	
Receivable BNG Lease	\$33,592.94	First Security Bank	\$154,650.63
Total Cash	\$34,467.22		
INVENTORY		Farm Credit Services	\$17,162.22
Total Inventory	\$0.00	Total Current Liabilities	\$171,812.85
EQUIPMENT		Equipment Tax	\$179.83
Total Equipment	\$287,326.83		
LAND		F.C.S.	\$100,941.06
Taylor (235)	\$117,500.00	Taxes	\$6,429.47
Roberts Place (884)	\$442,000.00	Valley Bank Escrow	\$149,352.61
Nelson (78.8)	\$78,000.00	Taxes	\$15,203.92
SonderRegger (79.9)	\$79,900.00	Taxes G	\$4,108.87
Hanger	\$6,000.00	Taxes	\$1,858.15
Total Land Assets	\$723,400.00	Taxes D	\$3,956.72
		Taxes	\$555.74
		Taxes S.T.	\$2,955.17
		Taxes HG	\$124.37
		Total Land Liabilities	\$285,486.08
F C S STOCK	\$4,240.00	Sonja Thomason	\$80,000.00
		Total Liabilities	\$537,298.93
		Net Worth	\$512,135.12
Total Assets	\$1,049,434.05	Total Net Worth & Liabilities	\$1,049,434.05

Sonja Thomason 4-14-93
A.29

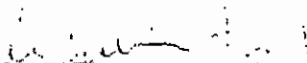
WARRANTY DEED

For Value Received, William Forsberg and Colleen Forsberg, husband and wife, the grantors, do hereby grant, bargain, sell and convey unto Madison Real Properties, LLC, Rexburg, Idaho, 83440, grantee, and to grantee's successors and assigns forever, all grantors' one third undivided interest in and to the following described real estate located in Madison County, Idaho:


See attached description

Together with all improvements, water, water rights, ditches, ditch rights, easements, hereditaments and appurtenances thereto. And the said grantors do hereby covenant for themselves, their heirs and assigns to and with the said grantee, that they are the owners in fee simple of said premises; that said premises are free from all encumbrances and that they will warrant and defend the same from all lawful claims whatsoever.

IN WITNESS WHEREOF, grantors have hereunto subscribed their names to this instrument this 17 day of March, 2008.



William Forsberg

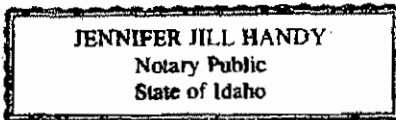


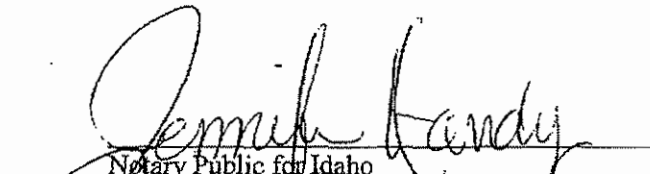
Colleen Forsberg

STATE OF IDAHO)
) ss
County of Madison)

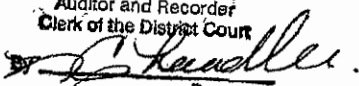
On this 17 day of March, 2008, before me, the undersigned, a Notary Public in and for said County and State, personally appeared William Forsberg and Colleen Forsberg, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.


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





Notary Public for Idaho
Residing at: REXBURG, ID.
My Commission Expires: 9-18-09.

CERTIFICATE
I HEREBY CERTIFY THE
FOREGOING INSTRUMENT
TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL
ON FILE IN MY OFFICE
Warranty Deed
DATED 10-13-09
MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

Deputy

Instrument # 344434
REXBURG, MADISON, IDAHO
3-19-2008 04:07:00 No. of Pages: 2
Recorded for: WILLIAM FORSBERG
MARILYN R. RASMUSSEN Fee: 6.00
Ex-Officio Recorder Deputy 

R 1-7

Description of Property

Township 5 North, Range 39 E.B.M., Madison County, Idaho
Section 2: SE1/4SW1/4; SW1/4SE1/4

EXCEPT: Commencing at the NW corner of the SE1/4SE1/4 of Section 2, Township 5 North, Range 39 East, Boise Meridian, Madison County, Idaho, and running thence W. 54 feet; thence S. 673 feet; thence E. 54 feet; thence N. 673 feet to the point of beginning.

ALSO EXCEPT: Commencing at a point that is S. 3935.88 feet from the SE corner of Section 34, Township 6 North, Range 39 E.B.M., Madison County, Idaho, and running thence W. 260.00 feet; thence N. 260.00 feet; thence E. 260.00 feet; thence S. 260.00 feet to the point of beginning. ALL of the above described land is contained in the SE1/4SW1/4 of said Section 2, Township 5 North, Range 39 East, Boise Meridian, Madison County, Idaho.

Contains 1.55 acres less the County road right-of-way.
This property also contains 70 foot Case Well.

ALSO EXCEPT: Commencing at the S1/4 corner of said Section 2 (said point is an aluminum cap on a 5/8" steel rod) and running thence N. 89°27'12" W. 782.00 feet along the section line, more or less, to a county road right-of-way; thence N. 0°16'48" W. 1082.00 feet to the True Point of Beginning; thence E. 650.00 feet; thence N. 0°16'48" W. 272.00 feet to a county road; thence W. 650.00 feet to a county road intersection; thence S. 0°16'48" E. 272.00 feet to the True Point of Beginning.

ALSO EXCEPT: county roads.

AND

Together with 6 shares of the capital stock of the Liberty Park Irrigation Co., and together with all appurtenances.

CERTIFICATE
I HEREBY CERTIFY THE
FOREGOING INSTRUMENT
TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL
ON FILE IN MY OFFICE

DATED 10-13-09
MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

M. Chandler
Deputy

B.2-7

CORRECTED WARRANTY DEED

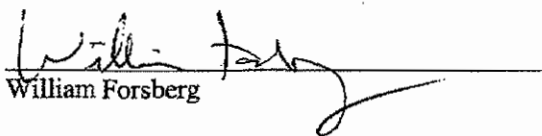
(This deed corrects Instrument number 344434 to adjust the Grantee by listing the correct name of LLC)

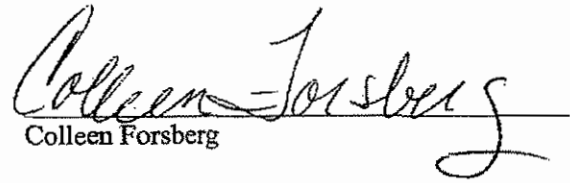
For Value Received, William Forsberg and Colleen Forsberg, husband and wife, the grantors, do hereby grant, bargain, sell and convey unto Madison Real Property, LLC, Rexburg, Idaho, 83440, grantee, and to grantee's successors and assigns forever, all grantors' one third undivided interest in and to the following described real estate located in Madison County, Idaho:

See attached description

Together with all improvements, water, water rights, ditches, ditch rights, easements, hereditaments and appurtenances thereto. And the said grantors do hereby covenant for themselves, their heirs and assigns to and with the said grantee, that they are the owners in fee simple of said premises; that said premises are free from all encumbrances and that they will warrant and defend the same from all lawful claims whatsoever.

IN WITNESS WHEREOF, grantors have hereunto subscribed their names to this instrument this 4 day of April, 2008.

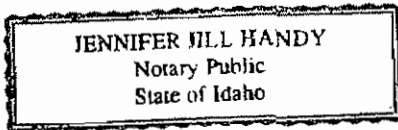

William Forsberg

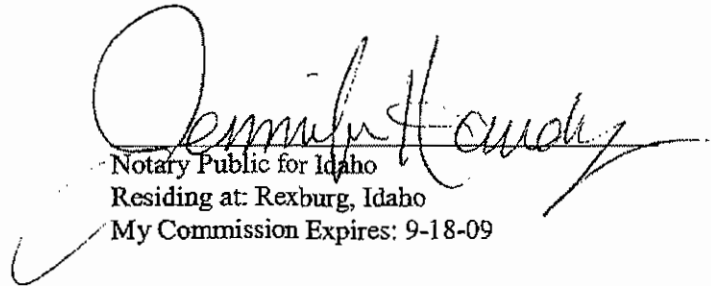

Colleen Forsberg

STATE OF IDAHO)
) ss
County of Madison)

On this 4 day of April, 2008, before me, the undersigned, a Notary Public in and for said County and State, personally appeared William Forsberg and Colleen Forsberg, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

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

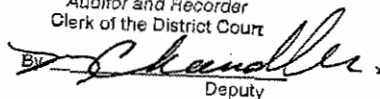


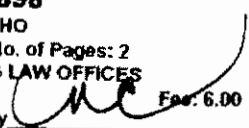

Notary Public for Idaho
Residing at: Rexburg, Idaho
My Commission Expires: 9-18-09

CERTIFICATE
I HEREBY CERTIFY THE
FOREGOING INSTRUMENT
TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL
ON FILE IN MY OFFICE

Warranty Deed

DATED 10-13-09
MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

By 
Deputy

Instrument # **344898**
REXBURG, MADISON, IDAHO
4-4-2008 02:52:00 No. of Pages: 2
Recorded for : FORSBERG LAW OFFICES
MARILYN R. RASMUSSEN Fee: 6.00
Ex-Officio Recorder Deputy 

Description of Property

Township 5 North, Range 39 E.B.M., Madison County, Idaho
Section 2: SE1/4SW1/4; SW1/4SE1/4

EXCEPT: Commencing at the NW corner of the SE1/4SE1/4 of Section 2, Township 5 North, Range 39 East, Boise Meridian, Madison County, Idaho, and running thence W. 54 feet; thence S. 673 feet; thence E. 54 feet; thence N. 673 feet to the point of beginning.

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Contains 1.55 acres less the County road right-of-way.
This property also contains 70 foot Case Well.

ALSO EXCEPT: Commencing at the S1/4 corner of said Section 2 (said point is an aluminum cap on a 5/8" steel rod) and running thence N. 89°27'12" W. 782.00 feet along the section line, more or less, to a county road right-of-way; thence N. 0°16'48" W. 1082.00 feet to the True Point of Beginning; thence E. 650.00 feet; thence N. 0°16'48" W. 272.00 feet to a county road; thence W. 650.00 feet to a county road intersection; thence S. 0°16'48" E. 272.00 feet to the True Point of Beginning.

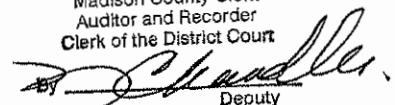
ALSO EXCEPT: county roads.

AND

Together with 6 shares of the capital stock of the Liberty Park Irrigation Co., and together with all appurtenances.

CERTIFICATE
I HEREBY CERTIFY THE
FOREGOING INSTRUMENT
TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL
ON FILE IN MY OFFICE

DATED 10-13-07
MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court


Deputy

B.4-7



IDAHO SECRETARY OF STATE Search Results

Ben Yursa, Secretary of State

Search Result Summary

[[New Search](#)]

Search Results 1 through 1

(MADISON REAL PROPERTY, LLC ... MADISON REAL PROPERTY, LLC)

MADISON REAL PROPERTY, LLC [[View Details](#)]

Organizational ID / Filing number: W72391

49 PROFESSIONAL PLAZA
REXBURG, ID USA 83440

Filed 17 Mar 2008

LIMITED LIABILITY COMPANY
EXISTING

[Idaho Secretary of State's Main Page](#)

[State of Idaho Home Page](#)

Comments, questions or suggestions can be emailed to: sosinfo@sos.idaho.gov

B.5-7



IDAHO SECRETARY OF STATE Viewing Business Entity

Ben Yursa, Secretary of State

[[New Search](#)] [[Back to Summary](#)]
[[Get a certificate of existence for MADISON REAL PROPERTY, LLC](#)]

MADISON REAL PROPERTY, LLC

49 PROFESSIONAL PLAZA
REXBURG, ID USA 83440

Type of Business: LIMITED LIABILITY COMPANY

Status: EXISTING, ANREPT SENT 05 Jan 2009

State of Origin: IDAHO

Date of 17 Mar 2008

Origination/Authorization:

Current Registered Agent: WILLIAM FORSBERG
49 PROFESSIONAL PLAZA
REXBURG, ID 83440

File Number: W72391

Date of Last Annual Report: 12 Jan 2009

Original Filing:

Filed 17 Mar 2008 ARTICLES OF ORGANIZATION

[[Help Me Print/View TIFF](#)]
[View Image \(PDF format\)](#) [View Image \(TIFF format\)](#)

Amendments:

[[Help Me Print/View TIFF](#)]

Annual Reports:

Report for year 2009 ANNUAL REPORT

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[View Document Online](#)

[Idaho Secretary of State's Main Page](#)

[State of Idaho Home Page](#)

Comments, questions or suggestions can be emailed to: sosinfo@sos.idaho.gov

B.16-7

<p>No. W 72391</p>	<p>Due no later than Mar 31, 2009 Annual Report Form</p>	<p>2. Registered Agent and Address (NO PO BOX)</p>	
<p>Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080</p> <p>NO FILING FEE IF RECEIVED BY DUE DATE</p>		<p>1. Mailing Address: Correct in this box if needed. MADISON REAL PROPERTY, LLC WILLIAM FORSBERG 49 PROFESSIONAL PLAZA REXBURG ID 83440 USA</p>	<p>WILLIAM FORSBERG 49 PROFESSIONAL PLAZA REXBURG ID 83440</p>
		<p>3. <u>New</u> Registered Agent Signature:*</p>	
<p>4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.</p>			
<p>Office Held MANAGER</p>	<p>Name WILLIAM FORSBERG</p>	<p>Street or PO Address 49 PROFESSIONAL PLAZA</p>	<p>City State Country Postal Code REXBURG ID USA 83440</p>
<p>5. Organized Under the Laws of: ID W 72391</p>	<p>6. Annual Report must be signed.* Signature: William Forsberg Date: 01/12/2009 Name (type or print): William Forsberg Title: Manager</p>		
<p>Processed 01/12/2009</p>		<p>* Electronically provided signatures are accepted as original signatures.</p>	

B.7-7

1 authority supporting Appellants' extended application of the
2 doctrine of merger. We agree with the bankruptcy court that the
3 judgment against Debtors did not cap the Siblings' liability.

4 In sum, Appellants have not shown that the bankruptcy court
5 exceeded its jurisdiction or that their liability is capped by
6 the default judgment against Debtors. We address Appellants'
7 challenges to the dollar amounts of attorneys' fees and costs
8 later in this discussion.

9 4. Farmstead

10 Charles and Doralee transferred Farmstead to Byron,
11 Nicholas, and Greg by a warranty deed dated August 26, 1991, and
12 recorded on July 8, 1992. Appellants nevertheless argue that
13 Debtors did not have the ability to transfer their interest in
14 Farmstead to Forsberg in 2001 and 2002 because the brothers'
15 right to convey the property is limited by a memorandum agreem
16 signed on August 25, 1991 (the "Restrictive Memo"). Appellants
17 argue that Forsberg had constructive notice of the Restrictive
18 Memo because at some point it was recorded.¹²

19 The Restrictive Memo states in relevant part:

20 This memorandum is to acknowledge a verbal
21 agreement entered into between Charles and Doralee
22 Thomason and their now surviving sons, Byron,
23 Nicholas, and Greg Thomason in December 1984, in
24 which it was agreed that Charles and Doralee would
25 transfer the following properties [including
26 Farmstead] and cattle to Byron, Nicholas, and Greg
27 Thomason. * * * The above property will remain
28 in the direct and equal ownership of Byron,
Nicholas, and Greg Thomason, as long as [they]

26
27 ¹² Forsberg presented evidence that the Restrictive Memo
28 does not appear in the chain of title and that he is a good faith
purchaser, having obtained a title report and title insurance.
The bankruptcy court did not reach these issues.

C.1-1

11-20-29

INSTRUMENTS RECORDED

Instrument Number	Date	Time	Transaction Type / Description	#Pages	Fee Amt	Charge	Delivered To	On
220578	04/17/1987	02:12p	913 - EASEMENT GRANTOR: MADISON SCHOOL DIST. # 321 GRANTEE: UTAH POWER & LIGHT CO., INC.		\$4.00		UTAH POWER & LIGHT CO., INC. P.O. BOX 130 REXBURG, ID 83440	
242999	07/13/1992	02:30p	915 - PLAT LOTS 8,9,10 BLOCK 7 RIGBY ADDN GRANTOR: MADISON PROFESSIONAL PARK GRANTEE: ALL MEN		\$5.00		FILED	07/13/1992
248207	08/25/1993	03:02p	830 - CERTIFICATE 5817 GRANTOR: MADISON SCHOOL DISTRICT GRANTEE: FREMONT-MADISON IRRIGATION DISTRICT	1	\$1.00			
267396	07/22/1997	02:54p	205 - DEED, WARRANTY LOT 1 BLOCK 20 OF THE ORIGIANL REXBURG TOWNSITE GRANTOR: PENDLEBURY, INEZ GRANTEE: MADISON SCHOOL DISTRICT	1	\$3.00	F	FIRST AMERICAN TITLE COMPAN	
322658	09/19/2005	04:15p	205 - DEED, WARRANTY LOT 3 IN BLOCK 16 OF THE ORIGINAL TOWNISTE OF REXBURG GRANTOR: PARKINSON, BLAIR PER. REP. PARKINSON, DEE ESTATE OF PARKINSON, DONNA ESTATE OF GRANTEE: MADISON SCHOOL DISTRICT	2	\$6.00	F	FIRST AMERICAN TITLE	
344434	03/19/2008	04:07p	205 - DEED, WARRANTY GRANTOR: FORSBERG, WILLIAM FORSBERG, COLLEEN GRANTEE: MADISON REAL PROPERTIES, LLC	2	\$6.00		WILLIAM FORSBERG 49 PROFESSIONAL PLAZA REXBURG ID 83440	
344898	04/04/2008	02:52p	280 - DEED, CORRECTION 344434 TO ADJUST GRANTEE BY LISITING THE CORRECT NAME OF LLC GRANTOR: FORSBERG, WILLIAM FORSBERG, COLLEEN GRANTEE: MADISON REAL PROPERTY, LLC REFERS TO: 344434	2	\$6.00		FORSBERG LAW OFFICE	

CERTIFICATE
I HEREBY CERTIFY THE
FOREGOING INSTRUMENT
TO BE A TRUE AND CORRECT
COPY OF THE ORIGINAL
ON FILE IN MY OFFICE

DATED 11-19-09

MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

By N. Chandler
Deputy

*p 1 of 3 This is what comes
pgs up when searching
Madison Real Property*

D.1-3

INSTRUMENTS RECORDED

Instrument Number	Date	Time	Transaction Type / Description	#Pages	Fee Amt	Charge	Delivered To	On
344931	04/07/2008	02:00p	440 - NOTICE OF 'LIS PENDENS' CV 2008-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY A.	4	\$12.00		WILLIAM FORSBERG	
348820	09/18/2008	10:30a	939 - ORDER CV 2008-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY A.	2	\$6.00		FORSBERG LAW OFFICES	
349604	10/27/2008	10:05a	879 - JUDGMENT, RELEASE OF ABSTRACT OF 348820 GRANTOR: FORSBERG, WILLIAM R. ATTORNEY MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY REFERS TO: 348820	1	\$3.00		FORSBERG LAW OFFICES 49 PROFESSIONAL PLAZA REXBURG ID 83440	
350363	12/02/2008	03:20p	939 - ORDER CV 2008-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY A.	2	\$6.00		FORSBERG LAW OFFICE	

D.1-3

2 of 3
page

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MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

Nancy Chandler
Deputy

INSTRUMENTS RECORDED

Instrument Number	Date	Time	Transaction Type / Description	#Pages	Fee Amt	Charge	Delivered To	On
355365	07/20/2009	10:31a	939 - ORDER CV 2008-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A THOMASON, SANDRA KOHLER, JAY A.	2	\$6.00		FORSBERG LAW OFFICES	
357104	10/16/2009	02:39p	999 - MISCELLANEOUS RECORDING CV 08-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON T. THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY A.	3	\$9.00		FORSBERG LAW OFFICES 49 PROFESSIONAL PLAZA REXBURG ID 83440	
357105	10/16/2009	02:41p	939 - ORDER CV 08-271 GRANTOR: MADISON REAL PROPERTY, LLC GRANTEE: THOMASON, BYRON THOMASON, MARILYN THOMASON, NICHOLAS A. THOMASON, SANDRA KOHLER, JAY A.	8	\$24.00		FORSBERG LAW OFFICES 49 PROFESSIONAL PLAZA REXBURG ID 83440	

Instrument Count: 14

*****END OF REPORT*****

D.3.3

343
pgs.

CERTIFICATE
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MARILYN R. RASMUSSEN
Madison County Clerk
Auditor and Recorder
Clerk of the District Court

Nancy Chandler
Deputy

