

PARTIAL RELEASE OF MORTGAGE

COPY

The Bank of Commerce holds a Mortgage, *Security Agreement, Assignment of Rents and Fixture Filing* recorded as Instrument No. 768991 in the records of Bingham County, Idaho (the "Mortgage"), which encumbers certain farm ground and its appurtenances (including all water rights) owned by Phillips' Brothers Farm & Livestock, LLC located in Bingham County, Idaho. The encumbered property is described as follows:

EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

TOWNSHIP 1 NORTH, RANGE 32 EAST, BOISE MERIDIAN, BINGHAM COUNTY, IDAHO
SECTION 33: SOUTHWEST QUARTER
TOWNSHIP 1 SOUTH, RANGE 32, EAST, BOISE MERIDIAN, BINGHAM COUNTY, IDAHO
SECTION 1: SOUTHWEST QUARTER SOUTHEAST QUARTER, SOUTHWEST QUARTER, LOTS 3 AND 4
SECTION 2: SOUTH HALF, LOTS 3 AND 4
SECTION 3: EAST HALF SOUTHEAST QUARTER, LOTS 3 AND 4
SECTION 4: LOT 1

The Bank of Commerce previously consented to the transfer of an 11.6-acre portion of water right appurtenant to the above-described encumbered property to be sold to a third party. The transfer of said 11.6-acre portion has been accomplished, and the Idaho Department of Water Resources has assigned the identification number of 25-14614 to said 11.6-acre water right portion as described in Exhibit 1 attached hereto.

The Bank of Commerce previously consented to the transfer of an 6.4-acre portion of water right appurtenant to the above-described encumbered property to be sold to a third party. The transfer of said 6.4-acre portion has been accomplished, and the Idaho Department of Water Resources has assigned the identification number of 27-12364 to said 6.4-acre water right portion as described in Exhibit 1 attached hereto.

The Bank of Commerce hereby releases, from the lien of the Mortgage, Water Right No. 25-14614 AND Water Right No. 27-12364 as described in Exhibit 1. In all other respects, the Mortgage remains in full force and effect on the above-described property and its appurtenances that is not released.

Dated: 11 May, 2026

The Bank of Commerce

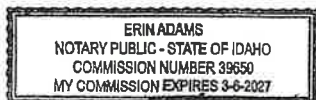
Instrument # 780999

BINGHAM COUNTY, IDAHO
2026-06-10 01:43:36 PM No. of Pages: 15
Recorded for: PIONEER TITLE CO OF BONNEVILLE
PAMELA W. ECKHARDT Fee: \$15.00
Ex-Officio Recorder Deputy JPulley
Index To: PARTIAL RELEASE OF MORTGAGE
Electronically Recorded by Simplifile

By: Justin R Hokanson
Justin R Hokanson, E.V.P.

STATE OF IDAHO)
 :ss
COUNTY OF BINGHAM)

On This 11 day of May, in the year 2026, before me, a Notary Public in and for said State, personally appeared Justin R Hokanson, known or identified to me to be the E.V.P. respectively, of the Corporation that executed the within instrument or the person(s) who executed the instrument on behalf of said Corporation, and acknowledged to me that such Corporation executed the same.



Erin Adams
Notary Public of Idaho
Residing at Blackfoot, Idaho
Commission expires: 03/06/2027

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT
TRANSFER NO. 90268

This is to certify that: FALLS WATER CO INC
2180 N DEBORAH DR
IDAHO FALLS, ID 83401-6223

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

Water Right	Origin/Basis	Priority Date	Diversion Rate	Diversion Volume	Acre Limit	Total Acres	Source
35-7449B	WR/DECREED	10/15/1974	3.520 cfs	1022.4 af	N/A	255.6	GROUND WATER

Purpose of Transfer (Changes Proposed)

Current Number	Split	POD	POU	Add POD	Period of Use	Nature of Use
35-7449B	YES	YES	YES	YES	YES	YES

Summary Of Water Rights After the Approved Change

Existing Right	New No. (Change Portion)	Transfer Rate	Transfer Volume	Acre Limit	Total Acres	New No. (remaining portion)	Remaining Rate	Remaining Volume	Remaining Acre Limit	Remaining Total Acres
35-7449B	25-14614	0.160 cfs	32.7 af	N/A	N/A	35-7449B	3.360 cfs	976.0 af	N/A	244.0
COMBINED TOTALS		0.160 cfs	32.7 af	N/A	N/A		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 23rd day of March, 2026


Water Resources Program Manager

Transfer No. 90268

WATER RIGHT NO. 35-7449B
As Modified by Transfer No. 90268

In accordance with the approval of Transfer No. 90268, Water Right No. 35-7449B is now described as follows:

Right Holder: PHILLIPS BROTHERS FARM & LIVESTOCK
 1851 W 600 N
 BLACKFOOT, ID 83221-5056

Priority Date: 10/15/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
IRRIGATION	4/01	to 10/31	3.360 cfs	976.0 af
			3.360 cfs	976.0 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SWSW Sec 1 Twp 01S Rge 32E BINGHAM County

PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01S	32E	1									6.4	30.5	33.0	33.0			0.3		106.0
01S	32E	2													34.0	35.0	35.0	34.0	139.0
POU Total Acres:			244.0																

CONDITIONS OF APPROVAL

- Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 90268

WATER RIGHT NO. 25-14614
As Modified by Transfer No. 90268

In accordance with the approval of Transfer No. 90268, Water Right No. 25-14614 is now described as follows:

Right Holder: PHILLIPS BROTHERS FARM & LIVESTOCK
1851 W 600 N
BLACKFOOT, ID 83221-5056

Priority Date: 10/15/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
MUNICIPAL	1/1	to 12/31	0.160 cfs	32.7 af
			0.160 cfs	32.7 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	SWSW	Sec 14 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	NESW	Sec 14 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	NESW	Sec 14 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	SWNW	Sec 11 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	NESW	Sec 14 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	SESW	Sec 10 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	NESE	Sec 10 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	L4 (NWNW)	Sec 2 Twp 02N Rge 38E	BONNEVILLE County
GROUND WATER	NENW	Sec 9 Twp 02N Rge 38E	BONNEVILLE County

CONDITIONS OF APPROVAL

1. Place of use is within the area served by the public water supply system of Falls Water Company Inc. The place of use is generally located within Sections 2, 3, 4, 9, 10, 11, 13, 14, 15, 16, 22, 23, 24, Township 02N, Range 38E and Sections 33, 34, 35, Township 03N, Range 38E.
2. A map generally depicting the service area for this water right at the time of this approval is attached to this document for illustrative purposes.
3. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
4. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
5. Prior to diversion and use of water under Transfer approval 90268, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion, in accordance with Department specifications.

Transfer No. 90268

WATER RIGHT NO. 25-14614
As Modified by Transfer No. 90268

CONDITIONS OF APPROVAL

6. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
7. This right does not grant any right-of-way or easement across the land of another.
8. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
9. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
10. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

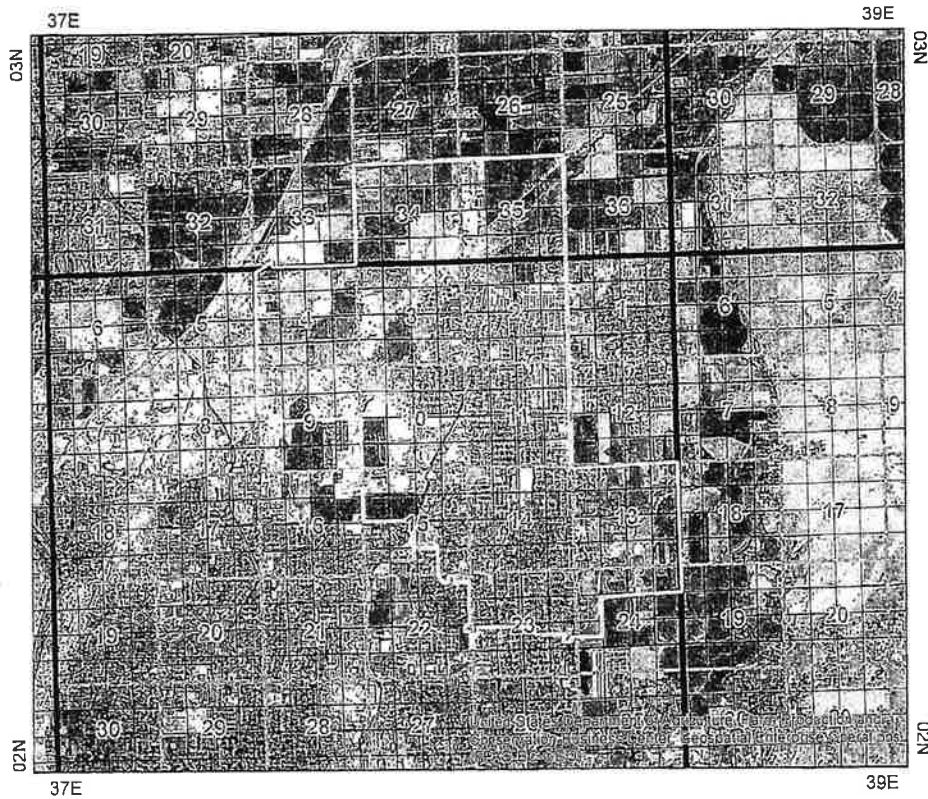
Transfer No. 90268

State of Idaho
Department of Water Resources

Water Right

25-14614

Water Service Area Boundary for Falls Water Company, Inc.



- Water Service Area Boundary
- State Outline
- Townships
- PLS Sections
- Quarter Quarters



Attachment to Transfer Approval 90268

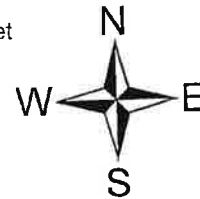
This map depicts the place of use boundary at the time of this transfer approval and is attached to the approval document solely for illustrative purposes.



Legend

- Water Right POD
- Water Right POU
- Township/Range
- Sections

0 3,000 6,000 12,000 Feet



Date: 3/23/2026

CERTIFICATE OF SERVICE

I hereby certify that on March 23, 2026 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

**Re: Transfer No.: 90268
Water Right No(s): 25-14614, 35-7449B**

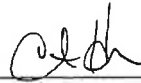
**FALLS WATER CO INC
2180 N DEBORAH DR
IDAHO FALLS ID 83401-6223**

**ROCKY MOUNTAIN ENVIRONMENTAL ASSOCIATES INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS ID 83402-3552**

**PHILLIPS BROTHERS FARM & LIVESTOCK
1851 W 600 N
BLACKFOOT ID 83221-5056**

**THE BANK OF COMMERCE
PO BOX 1046
BLACKFOOT ID 83221-1046**

**AXA EQUITABLE LIFE INSURANCE CO
C/O AXA EQUITABLE AGRIFINANCE LLC
6300 C ST SW MS 3B-CR
CEDAR RAPIDS IA 52404-7470**



**Christina Henman
Administrative Assistant**

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT
TRANSFER NO. 90345

This is to certify that: CITY OF BLACKFOOT
157 N BROADWAY ST
BLACKFOOT, ID 83221-2204

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

Water Right	Origin/Basis	Priority Date	Diversion Rate	Diversion Volume	Acre Limit	Total Acres	Source
35-7449B	WR/DECREED	10/15/1974	3.360 cfs	976.0 af	N/A	244.0	GROUND WATER

Purpose of Transfer (Changes Proposed)

Current Number	Split	POD	POU	Add POD	Period of Use	Nature of Use
35-7449B	YES	YES	YES	YES	YES	YES

Summary Of Water Rights After the Approved Change

Existing Right	New No. (Changed Portion)	Transfer Rate	Transfer Volume	Acre Limit	Total Acres	New No. (remaining portion)	Remaining Rate	Remaining Volume	Remaining Acre Limit	Remaining Total Acres
35-7449B	27-12364	0.090 cfs	18.9 af	N/A	N/A	35-7449B	3.270 cfs	950.4 af	N/A	237.6
COMBINED TOTALS		0.090 cfs	18.9 af	N/A	N/A		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 22nd day of April, 2026.


Water Resources Program Manager

Transfer No. 90345

WATER RIGHT NO. 35-7449B
As Modified by Transfer No. 90345

In accordance with the approval of Transfer No. 90345, Water Right No. 35-7449B is now described as follows:

Right Holder: PHILLIPS BROTHERS FARM & LIVESTOCK
 1851 W 600 N
 BLACKFOOT, ID 83221-5056

Priority Date: 10/15/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
IRRIGATION	4/01	to 10/31	3.270 cfs	950.4 af
			3.270 cfs	950.4 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SWSW Sec 1 Twp 01S Rge 32E BINGHAM County

PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01S	32E	1									9.4	23.9	33.0	33.0			0.3		96.6
01S	32E	2													34.0	35.0	35.0	34.0	138.0

POU Total Acres: 237.6

CONDITIONS OF APPROVAL

- Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 90345

WATER RIGHT NO. 27-12364
As Modified by Transfer No. 90345

In accordance with the approval of Transfer No. 90345, Water Right No. 27-12364 is now described as follows:

Right Holder: PHILLIPS BROTHERS FARM & LIVESTOCK
1851 W 600 N
BLACKFOOT, ID 83221-5056

Priority Date: 10/15/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
MUNICIPAL	1/01	to 12/31	0.090 cfs	18.9 af
			0.090 cfs	18.9 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	L4 (SENWNW)	Sec 2	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	NWSWNE	Sec 3	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	SWNESE	Sec 3	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	L2 (SWNWNNE)	Sec 4	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	SENESEW	Sec 4	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	NESWNE	Sec 10	Twp 03S Rge 35E	BINGHAM County
GROUND WATER	L4 (SESWSW)	Sec 30	Twp 02S Rge 35E	BINGHAM County
GROUND WATER	NWNENE	Sec 35	Twp 02S Rge 35E	BINGHAM County
GROUND WATER	SWSWSW	Sec 2	Twp 03S Rge 35E	BINGHAM County

CONDITIONS OF APPROVAL

1. Place of use is within the service area of the City of Blackfoot municipal water supply system as provided for under Idaho Law.
2. A map generally depicting the service area for this water right at the time of this approval is attached to this document for illustrative purposes.
3. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
4. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
5. Prior to diversion and use of water under Transfer approval 90345, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion, in accordance with Department specifications.
6. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.

Transfer No. 90345

WATER RIGHT NO. 27-12364
As Modified by Transfer No. 90345

CONDITIONS OF APPROVAL

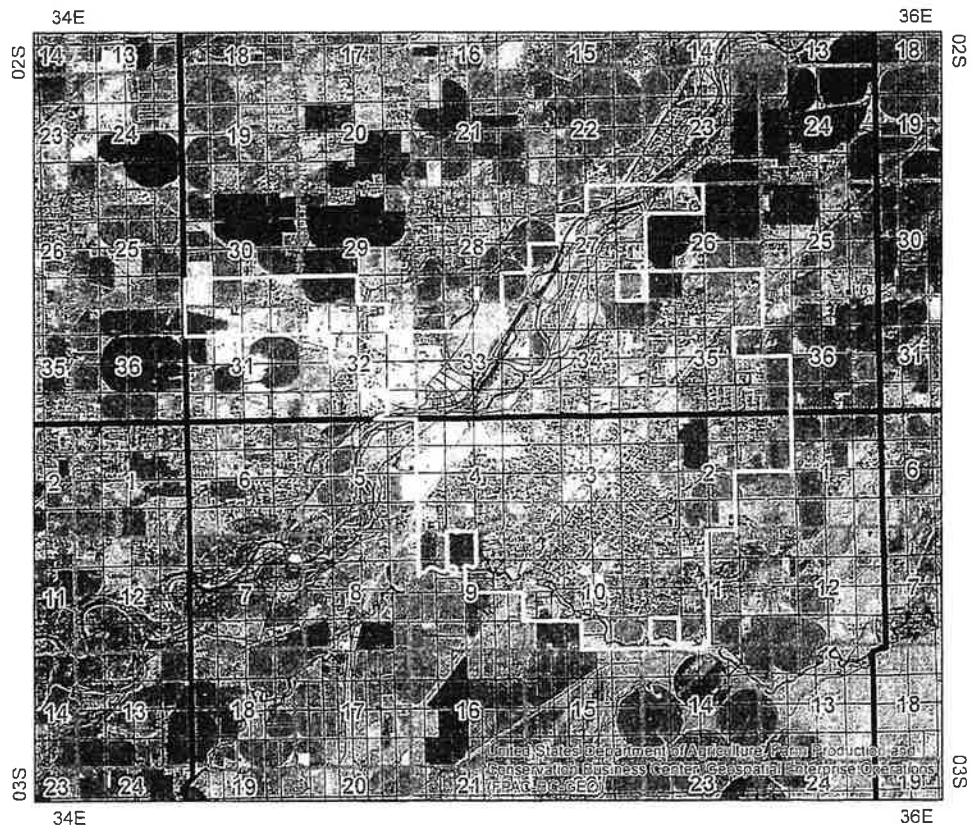
7. Prior to the diversion and use of water under this approval, the right holder shall comply with applicable water quality monitoring and/or permitting requirements administered by the Department of Environmental Quality or the Department of Agriculture.
8. This right does not grant any right-of-way or easement across the land of another.
9. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
10. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
11. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 90345

State of Idaho
Department of Water Resources
Transfer of Water Rights
Transfer No. 90345

Water Service Area Boundary for City of Blackfoot

27-12364



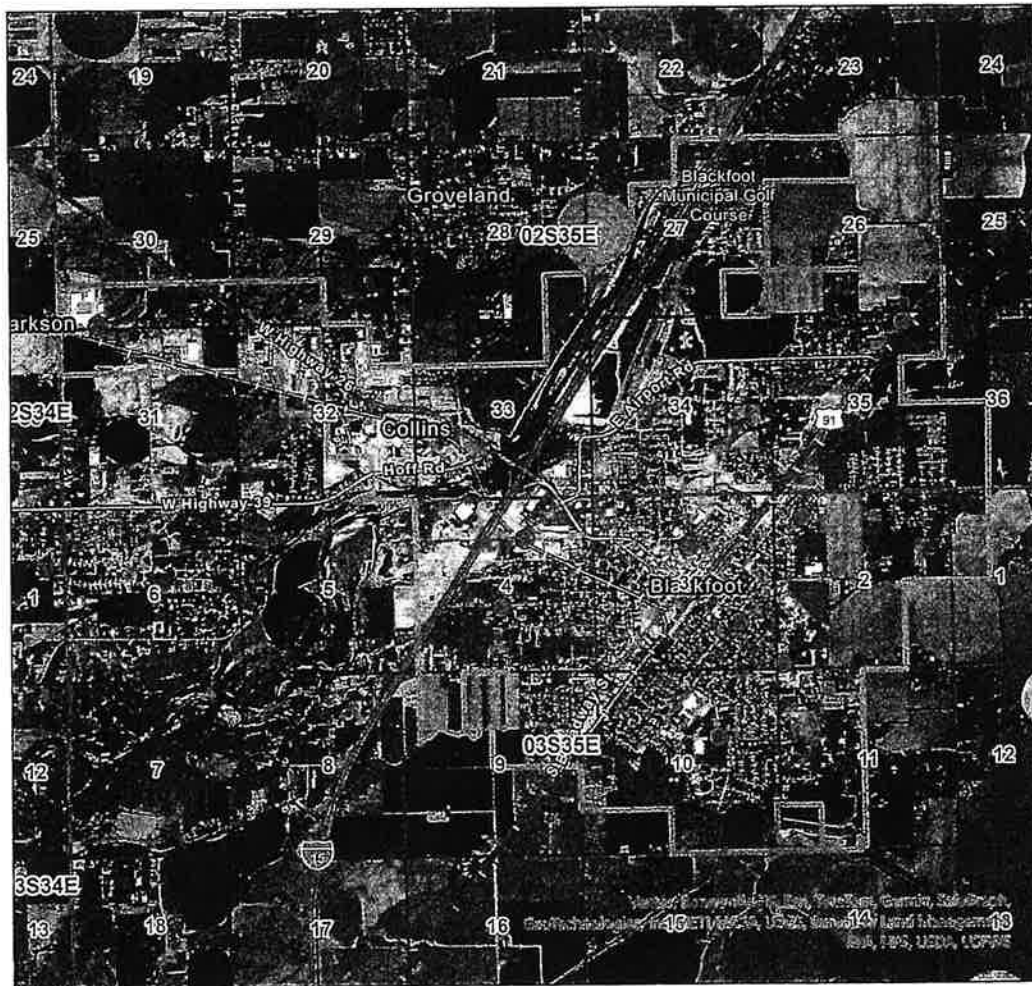
Water Service Area Boundary

-  State Outline
-  Townships
-  PLS Sections
-  Quarter Quarters



Attachment to Transfer Approval 90345

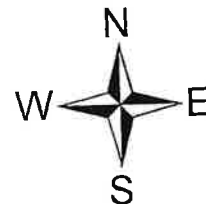
This map depicts the place of use boundary at the time of this transfer approval and is attached to the approval document solely for illustrative purposes.



Legend

-  Water Right POD
-  Water Right POU
-  Township/Range
-  Sections

0 2,500 5,000 10,000 Feet



Date: 4/22/2026

CERTIFICATE OF SERVICE

I hereby certify that on April 22, 2026 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

Re: Transfer No.: 90345

Water Right No(s).: 27-12364, 35-7449B

**CITY OF BLACKFOOT
157 N BROADWAY ST
BLACKFOOT ID 83221-2204**

**ROCKY MOUNTAIN ENVIRONMENTAL ASSOC INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS ID 83402-3552**

**PHILLIPS BROTHERS FARM & LIVESTOCK
1851 W 600 N
BLACKFOOT ID 83221-5056**

**THE BANK OF COMMERCE
PO BOX 1046
BLACKFOOT ID 83221-1046**

**AXA EQUITABLE LIFE INSURANCE CO
C/O AXA EQUITABLE AGRIFINANCE LLC
6300 C ST SW MS 3B-CR
CEDAR RAPIDS IA 52404-7470**



**Christina Henman
Administrative Assistant**



13 March 13, 2026

State of Idaho
Department of Water Resources
900 N Skyline Drive Suite A
Idaho Falls ID 83402-1718

RE: Water Right – 35-7449B

Dear Jonie Barg:

The Bank of Commerce is releasing 17.7 acres of security interest in Water Right no. 35-7449B.

Sincerely,

The Bank of Commerce



Justin R Hokanson

E.V.P.

(208)785-6843

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A NAME & PHONE OF CONTACT AT FILER (optional) JUSTIN R HOKANSON
B E-MAIL CONTACT AT FILER (optional) blackfoot@bofc.bank
C SEND ACKNOWLEDGMENT TO: (Name and Address) THE BANK OF COMMERCE P.O. BOX 1046 BLACKFOOT, ID 83221

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a INITIAL FINANCING STATEMENT FILE NUMBER

769022

1b ☒ This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS
Filer attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2 ☐ TERMINATION Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3 ☐ ASSIGNMENT (full or partial) Provide name of Assignee in item 7a or 7b and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4 ☐ CONTINUATION Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5 ☐ PARTY INFORMATION CHANGE

Check one of these two boxes

AND Check one of these three boxes to

This Change affects ☐ Debtor or ☐ Secured Party of record

☐ CHANGE name and/or address Complete item 6a or 6b and item 7a or 7b and item 7c
☐ ADD name Complete item 7a or 7b and item 7c
☐ DELETE name Give record name to be deleted in item 6a or 6b

6 CURRENT RECORD INFORMATION Complete for Party Information Change - provide only one name (6a or 6b)

6a ORGANIZATION'S NAME

PHILLIPS' BROTHERS FARM & LIVESTOCK, LLC

OR 6b INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S) INITIAL(S)

SUFFIX

7 CHANGED OR ADDED INFORMATION Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact full name, do not omit, modify, or abbreviate any part of the Debtor's name)

7a ORGANIZATION'S NAME

OR 7b INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S) INITIAL(S)

SUFFIX

7c MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

8 ☒ COLLATERAL CHANGE Also check one of these four boxes ☐ ADD collateral ☒ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral

**THIS IS A PARTIAL RELEASE OF 17.7 ACRES OF WATER RIGHTS FROM WATER RIGHT NO. 35-7449-B
FIXTURE FILING STILL REMAINS IN FULL FORCE AND EFFECT**

TO BE RECORDED IN REAL ESTATE RECORDS

9 NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a ORGANIZATION'S NAME

THE BANK OF COMMERCE

OR 9b INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S) INITIAL(S)

SUFFIX

10 OPTIONAL FILER REFERENCE DATA

International Association of Commercial Administrators (IACA)

FILING OFFICE COPY — UCC FINANCING STATEMENT AMENDMENT (Form UCC3) (Rev. 04/20/11)