

PROMISSORY NOTE

\$ 29,000 Intelligence, Ltd.
Garrison, UT
(City) (State)
March 4, 1994
(Date)

FOR VALUE RECEIVED the undersigned jointly and severally promise(s) to pay to the order of George Lamoreaux the principal sum of Twenty nine thousand dollars (\$ 29,000) together with interest thereon from date at the rate of eight (8 %) percent per annum until maturity, said principal and interest being payable yearly on the 4th day March of each and every year in lawful money of the United States beginning on the 4th day of March, 19 94, in yearly installments of Five thousand dollars (\$ 5,000), and continuing thereafter until March 4, 2000, or until said principal and interest have been paid in full, at P.O. Box 1551 Cedar City, UT, or at such other place as the holder hereof may designate in writing from time to time.

Each installment payment shall be credited first to the interest then due, and the remainder to the principal.

Each maker and endorser severally waives demand, protest and notice of maturity, non-payment or protest and all requirements necessary to hold each of them liable as makers and endorsers and, should litigation be necessary to enforce this note, each maker and endorser waives trial by jury and consents to the personal jurisdiction and venue of a court of subject matter jurisdiction located in the State of Utah and County of Iron.

Each maker and endorser further agrees, jointly and severally, to pay all costs of collection, including a reasonable attorney's fee in case the principal of this note or any payment on the principal or any interest thereon is not paid at the respective maturity thereof, or in case it becomes necessary to protect the security hereof, whether suit be brought or not.

This note is to be construed and enforced according to the laws of the State of Utah; upon default in the payment of principal and/or interest when due, the whole sum of principal and interest remaining unpaid shall, at the option of the holder, become immediately due and payable and it shall accrue interest at the highest rate allowable by law from the date of default.

Default shall include, but not be limited to non-payment of any respective installment within ten (10) days from the due date set out herein, or payment dates on three different occasions for any installments which are in excess of five (5) days subsequent to the due date therefor set out herein.

Unless specifically disallowed by law, should litigation arise hereunder, service of process therefor may be obtained through certified mail, return receipt requested; the parties hereto waiving any and all rights they may have to object to the method by which service was perfected.

Witness

Witness

Intelligence, Ltd
Limited Partnership

Witness

By: *Brenden Smith*
General Partner

Witness

SECURITY AGREEMENT

Date: March 4, 1994

BE IT KNOWN, that for good consideration **Intelligence, Ltd**
of **Garrison, UT** (Debtor) grants to **George Lamoreaux**
of **Cedar City, UT** and its successors and assigns

(Secured Party) a security interest pursuant to Article 9 of the Uniform Commercial Code in the following property (Collateral), which shall include all after-acquired property of a like nature and description and proceeds and products thereof:

Pearson chutes, alleys, and tubs, saddles, semen storage tanks, and all other livestock equipment and supplies

This security interest is granted to secure payment and performance on the following obligations as well as all other debts now or hereinafter owed Secured Party from Debtor:

In consideration of promissory note dated March 4, 1994 in the amount of \$29,000.

Debtor hereby acknowledges to Secured Party that:

1. The collateral shall be kept at the Debtor's above address and not moved or relocated without written consent.
2. The Debtor warrants that Debtor owns the collateral and it is free from any other lien, encumbrance and security interest or adverse interest and the Debtor has full authority to grant this security interest.
3. Debtor agrees to execute such financing statements as are reasonably required by Secured Party to perfect this security agreement in accordance with state law and the Uniform Commercial Code.
4. Upon default in payment or performance of any obligation for which this security interest is granted, or breach of any term of this security agreement, then in such instance Secured Party may declare all obligations immediately due and payable and shall have all remedies of a secured party under the Uniform Commercial Code, as enacted in the Debtor's state, which rights shall be cumulative and not necessarily successive with any other rights or remedies.

- 5. Debtor agrees to maintain such insurance coverage on the collateral as Secured Party may from time to time reasonably require and Secured Party shall be named as loss payee.
- 6. This security agreement shall further be in default upon the death, insolvency or bankruptcy of any party who is an obligor to this agreement or upon any material decrease in the value of the collateral or adverse change in the financial condition of the Debtor.
- 7. Upon default the Debtor shall pay all reasonable attorneys' fees and costs of collection necessary to enforce this agreement.

IN WITNESS WHEREOF, this agreement is signed this 4th day of March
1994 .

Intelligence, Ltd.
G. Bradley Hunt (General Partner)
Debtor

[Signature]
Secured Party

104429

FILED AND RECORDED AT REQUEST OF
GOERGE LAMOREAUX

JANUARY 2, 1996

11:00 MINUTES PAST 10 O'CLOCK

BOOK 116 OF OFFICIAL

RECORDS PAGE 475 LINCOLN
COUNTY, NEVADA.

YURIKO SETZER

BY *Lidia Boucher* DEPUTY

Note: Record this security agreement or financing statements in appropriate filing office to protect your rights against third parties.