

SECURITY AGREEMENT

THIS SECURITY AGREEMENT made this 27th day of May,
1980, by and between CARL RICHARD McCOY, a single man of Eureka,
Nevada as Debtor and HAROLD M. LaROSE, a single man of Sparks,
Nevada as Secured Party.

W I T N E S S E T H:

That the Debtor grants to the Secured Party a security interest in all that certain personal property described in Exhibit "A" attached hereto and incorporated herein by this reference.

Said security interest is given to secure the prompt and punctual payment of two Promissory Notes of even date herewith, wherein the Debtor is the Maker of said Notes and the Secured Party is the Payee. Said Promissory Notes being in the original sum of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) and TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00).

It is agreed by and between the parties hereto that this Security Agreement shall be in full force and effect for a period of five years unless said Promissory Notes above referred to are paid prior to the expiration of five years from the date of this Agreement.

The collateral is agreed by the Debtor to be considered personal property at all times without regard to whether said property is attached to or becomes a permanent fixture of any real property.

Debtor further agrees to keep the collateral insured at Debtor's expense against substantial risk of damage, destruction or theft.

It is also agreed that if the Debtor fails to make any

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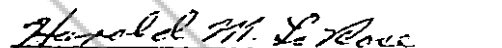
payment as provided in said Promissory Notes or should fail to pay any other monies secured hereby, then the Secured Party shall have all the remedies of a secured party under the Nevada Uniform Commercial Code and may require the Debtor to assemble all property in which a security interest has been granted pursuant hereto and make it available to the Secured Party at a place to be designated by the Secured Party and which is reasonably convenient to the Secured Party and the Debtor.

It is agreed that the proceeds are claimed and that time is of the essence of this Agreement.

Debtor acknowledges and represents that his residency is Eureka County, Nevada and that said property shall not be removed from the State of Nevada without prior written consent of the Secured Party.

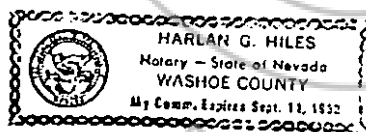
IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement the day and year first above written.


CARL RICHARD MCCOY- DEBTOR


HAROLD M. LaROSE- SECURED PARTY

STATE OF NEVADA)
) ss.
COUNTY OF)

On the 28th day of May, 1980 personally appeared before me, a Notary Public, CARL RICHARD MCCOY, who acknowledged to me that he executed the above instrument.




NOTARY PUBLIC

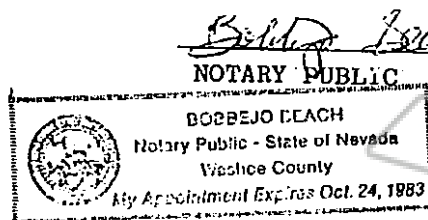
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STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On the 30th day of MAY, 1980 personally appeared
before me, a Notary Public, HAROLD M. LaROSE, who acknowledged
to me that he executed the above instrument.



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EXHIBIT A

EQUIPMENT LIST

GOLD BAR

- 1 NCR Serial #603415L-1C
- 1 GE Refrigerator Serial #NH8HB
- 1 Whirlpool Ice Machine
- 1 Moose Head
- 2 Deer Heads
- 11 Wrought Iron Antiqued Bar Stools
- 3 Straight Back Chairs
- 2 Cocktail Tables
- 1 Arm Chair
- 1 Bar
- 1 Back Bar
- 3 Spittoons
- 1 Walk-in Safe w/safety deposit boxes & Keys
- 1 Outdoor Electric Neon Sign
- 1 Electric 2 speed Cocktail mixer with metal mixing glass.

RECORDED AT REQUEST OF
FIRST AMERICAN TITLE CO. OF NEVADA

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80 JUN 10 AIO: 26

OFFICE OF RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. CAPPADOCIA RECORDER
FILE NO. 73933
FEE \$ 6.00

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