

175575

PROMISSORY NOTE

\$8,000

Elko, Nevada
September, 2000

FOR VALUE RECEIVED, the undersigned promise and agree to pay to the order of IVAN L. SMART, at 10 Pincay Dr., Henderson, Nevada 89015, or wherever payment may be demanded by the holders hereof, the sum of EIGHT THOUSAND DOLLARS (\$8,000), together with interest thereon, at the rate of Twelve Percent (12%) per annum. The manner of payment shall be by monthly installments of \$500, including interest, with the payments to commence on 15 November, 2000, and to continue each month thereafter, until the entire principal, together with the interest accrued is paid in full.

These payments shall be applied first to accrued interest to the date of payment, and the balance to principal. The makers may, at their option, increase the payment amount, or make additional payments at any time during the life of this Note without penalty. If additional payments are made, they shall first be applied to accrued interest to date and the balance to principal. Additional payments shall be so identified by the makers, and shall not accrue as a portion of the monthly payments due as set forth, nor relieve the makers of the obligation to make monthly payments set forth above.

In the event any installment is received by Payee more than five (5) days after it is due, Makers shall be liable and hereby promise to pay, a late penalty of \$100.00 for each such late payment. In the event of default in the payment of any sum due hereunder, according to the terms and conditions hereof, and if such default lasts for a period of thirty-five (35) days, the holders may, at their option, without notice, declare the entire amount of the principal and interest due and payable.

In case of default the payments, or if suit may be commenced for the collection of, any part of the principal interest due hereunder, the undersigned promise and agree to pay any reasonable attorney fees incurred, together with all costs of collection.

The makers and endorsers waive demand, diligence, presentment, protest and notice of protest and nonpayment.

This note is secured by a Deed of Trust of the same date herewith which contains a "due on sale clause".


JACK WHELCHEL


ROMONA G. WHELCHEL

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Jack Whelchel
00 NOV -3 AM 11:56

175575

EUREKA COUNTY NEVADA
M.M. REBALEATI, RECORDER
FILE NO. FEES \$ 7.00

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