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12-22-1998



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Docket No.:

14804.5

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100927020

To the Honorable Commissioner of Patents and Trademarks: Please return the attached original documents or copy thereof.

1. Name of conveying party(ies):

STRATA, INC.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Utah
 Other _____

Additional names(s) of conveying party(ies) Yes No

2. Name and address of receiving party(ies):

Name: **LAVERNA BRINGHURST JOHNSON**

Internal Address: _____

Street Address: **471 North 100 West**

City: **St. George** State: **UT** ZIP: **84770**

Individual(s) citizenship
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other _____

12-04-1998
U.S. Patent & TMO/TM Mail Rcpt Dt. #40

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from
Additional name(s) & address(es) Yes N

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: **May 20, 1996**

4. Application number(s) or registration numbers(s):

<p>A. Trademark Application No. (s)</p>	<p>B. Trademark Registration No. (s)</p> <p>1,606,234 2,022,656 2,098,858 1,727,240 2,042,281 2,018,213 1,892,027</p>
---	---

Additional numbers Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: **John C. Stringham,**

Internal Address: _____

WORKMAN, NYDEGGER & SEELEY

Suite 1000

Street Address: **60 East South Temple Street**

City: **Salt Lake City,** State: **UT** ZIP: **84111**

6. Total number of applications and registrations involved:..... **7**

7. Total fee (37 CFR 3.41):.....\$ **\$190.00**

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: **190E**

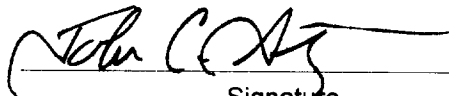
23-3178

12/18/1998 JSH/BAZZ 00000050 1606234

DO NOT USE THIS SPACE

01 FC:481 40.00 DP
02 FC:482 150.00 DP

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

John C. Stringham  **December 4, 1998**

Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and

1

TRADEMARK

SECURITY AGREEMENT

This SECURITY AGREEMENT (the "Agreement"), dated May 22 1996, made by LAVERNA BRINGHURST JOHNSON, ("Secured Party"), 471 North 100 West, St. George, Utah 84770, in favor of STRATA, INC., 2 West St. George Blvd., Ancestor Square #2100, St. George, 84770, ("Debtor").

RECITALS:

A. Such loan amount is evidenced by a Promissory Note, also of even date herewith (the "Note") in the amount of US \$150,000.00.

B. It is a condition precedent to advancing any amounts to Debtor pursuant to the Note that Debtor shall have entered into this Agreement granting Secured Party a security interest in the Collateral described in this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce Secured Party to enter into the loan, Debtor agrees with Secured Party as follows:

1. Defined Terms. The following terms used in this Agreement have the meanings specified below (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"Collateral", has the meaning assigned to such term in Section 2 of this Agreement.

"Documents" means, with respect to Debtor, any "document," as such term is defined in Section 9-105(1)(f) of the UCC, now owned or hereafter acquired by Debtor.

"Event of Default" means any Event of Default under the Promissory Note and any default by Debtor under the terms of this Agreement or any other document evidencing or securing the Obligations.

"General Intangibles" means, with respect to Debtor, any "general intangibles," as such term is defined in Section 9-106 of the UCC, now owned or hereafter acquired by Debtor.

"UCC" means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Utah; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or

priority of Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Utah, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

2. Grant of Security Interest.

As collateral security for the full and prompt payment and performance when due (whether as stated maturity, by acceleration or otherwise) of the Note, Debtor hereby assigns, conveys, mortgages, pledges, hypothecates and transfers to Secured Party, and hereby grants to Secured Party a security interest in, all of Debtor's right, title and interest in, to

ALL GENERAL TANGIBLES AND INTELLECTUAL PROPERTY

3. Rights of Secured Party; Limitations on Secured Party's Obligations.

a. It is expressly agreed by Debtor that, anything herein to the contrary notwithstanding, Debtor shall remain liable under each of the Contracts and, following the occurrence and during the continuance of an Event of Default, Debtor shall perform all of its duties and, obligations thereunder, all in accordance with and pursuant to the terms and provisions of each such Contract. Secured party shall have no obligation or liability under any Contract solely by reason of or arising out of this Agreement or the granting of a security interest in any Contract to Secured party or the receipt by Secured Party of any payment relating to any Contract pursuant hereto, nor shall Secured party be required or obligated in any manner to perform or fulfill any of the obligations of Debtor under or pursuant to any Contract, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any Contract, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

4. Covenants. Debtor covenants and agrees with Secured Party that from and after the date of this Agreement and until the Note and the other Obligations have been paid in full and are fully satisfied:

a. Further Documentation Pledge of Instruments. At any time and from time to time, upon the written request of Secured Party, and at the sole expense of Debtor, Debtor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Secured Party may reasonably deem desirable to obtain the full benefits of this Agreement and of the

rights and powers herein granted, including, without limitation, using its best efforts to secure all consents and approvals necessary or appropriate for the assignment to Secured Party of any general intangibles held by Debtor or in which Debtor has any rights not heretofore assigned, the filing of any financing or continuation statements under the UCC with respect to the liens and security interests granted hereby, transferring Collateral to Secured Party's possession (if a security interest in such Collateral can be perfected by possession) and placing the interest of Secured Party as lienholder on the certificate of title of any vehicle. Debtor also hereby authorizes Secured Party to file any such financing or continuation statement without the signature of Debtor to the extent permitted by applicable law. If any of the Collateral shall be or become evidenced by any Instrument, Debtor agrees to pledge such Instrument to Secured Party and shall duly endorse such Instrument in a manner satisfactory to Secured party and deliver the same to Secured Party.

b. Compliance with Laws, Etc. Debtor will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority or arbitrator applicable to the Collateral or any part thereof or to the operation of Debtor's business, the noncompliance with which, individually or in the aggregate, would or would be reasonably likely to materially adversely affect the business, condition (financial or other), assets, property or operations of Debtor; provided, however, that Debtor may contest the requirement of any applicable law, rule, regulation or order in any reasonable manner which shall not, in the sole opinion of Secured Party, adversely affect Secured Party's rights hereunder or adversely affect the first priority of its lien on and security interest in the Collateral, subject only to Permitted Liens.

c. Payment of Obligations. Debtor will pay, before the same shall become delinquent and before any penalty or interest accrues thereon, all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of its income or profits therefrom and all claims of any kind (including, without limitation, claims for labor, materials and supplied), except that no such item need be paid if (i) such non-payment does not involve any danger of the sale, forfeiture or loss of any of the Collateral or any interest therein which, individually or

in the aggregate, would or would be reasonably likely to materially adversely affect the business, condition (financial or other), assets, properties, or operations of Debtor, and (ii) such charge is adequately reserved against in accordance with and to the extent required by generally accepted accounting principles.

d. Limitations on Disposition. Debtor will not sell, lease, transfer or otherwise dispose of any of the Collateral, or attempt or contract to do so, except in the ordinary course of business.

e. Further Identification of Collateral. Debtor will, if so requested by Secured Party, furnish to Secured Party, as often as Secured Party reasonably requests, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Secured Party may reasonably request (without imposing any undue burden on Debtor), all in reasonable detail.

f. Right of Inspection. Upon reasonable notice to Debtor (unless an Event of Default has occurred and is continuing, in which case no notice is necessary), Secured Party shall at all times have full and free access during normal business hours to all the books and records and correspondence of Debtor, and Secured Party or its representatives may examine the same, take extracts therefrom and make photocopies thereof; provided, however, that the expenses incurred by Secured Party in connection with the foregoing shall be borne by Secured Party unless an Event of Default has occurred and is continuing, in which case such expenses shall be borne by Debtor. Upon reasonable notice to Debtor (unless an Event of Default has occurred and is continuing, in which case no notice is necessary), Secured Party and its representatives shall also have the right to enter into and upon any premises where evidence of any of the general intangibles and intellectual property of Debtor is located for the purpose of inspecting the same.

g. Continuous Perfection. Debtor will not change its name, identity or corporate structure in any manner which might make any financing or continuation statement filed in connection herewith seriously misleading within the meaning of Section 9-402(7) of the UCC (or any other then applicable provision of the UCC) unless Debtor shall have given Secured Party at least 30 days prior written notice thereof and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by Secured Party to amend such financing statement or continuation statement so that it is not seriously misleading. Debtor will not change its principal place of business or remove its records unless it gives Secured Party at least 30 days' prior written notice thereof and has taken such action as is necessary to cause the security interest of Secured Party in the Collateral to continue to be perfected.

h. No Material Adverse Action. No Debtor shall take or fail to take any action which would have a material adverse effect on the enforceability of Secured Party's interest in the collateral.

5. Secured Party's Appointment as Attorney-in-Fact.

a. Debtor hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Debtor and in the name of Debtor or in its own name, from time to time in Secured Party's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments which Secured Party may deem necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives Secured Party the power and right, on behalf of Debtor, without notice to or assent by Debtor to do the following:

(i) to ask, demand, collect, receive and give acquittance and receipts for any and all monies due and to become due under any Collateral and, in the name of Debtor or in its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other Instruments for the payment of monies due under any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Secured Party for the purpose of collecting any and all such monies due under any Collateral whenever payable and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Secured Party for the purpose of collecting any and all such monies due under any Collateral whenever payable;

(ii) to pay or discharge taxes, Liens, security interests or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or any part of the premiums therefor and the costs thereof; and

(iii) (1) to direct any party liable for any payment under any of the Collateral to make payment of any and all monies due, and to become due thereunder, directly to Secured Party or as Secured Party shall direct; (b) to receive payment of and receipt for any and all monies, claims and other amounts due, and to become due at any time, in respect of or arising out of any Collateral; (c) to sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with Accounts and other Documents constituting or relating to the Collateral; (d) to commence and

prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (e) to defend any suit, action or proceeding brought against Debtor with respect to any Collateral; (f) to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate; and (g) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for all purposes, and to do, at Secured Party's option and Debtor's expense, at any time, or from time to time, all acts and things which Secured Party reasonably deems necessary to protect, preserve or realize upon the Collateral and Secured Party's lien therein, in order to effect the intent of this Agreement, all as fully and effectively as Debtor might do.

b. Secured Party agrees that, unless an Event of Default has occurred and is continuing, it will forbear from exercising the power of attorney or any rights granted to Secured Party pursuant to this Section 5. Debtor hereby ratifies, to the extent permitted by law, all that any said attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted pursuant to this Section 5, being coupled with an interest, shall be irrevocable until the Note and the other Obligations are indefeasibly paid in full.

c. The powers conferred on Secured Party hereunder are solely to protect Secured Party's interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Debtor for any act or failure to act, except for its own gross negligence or willful misconduct.

d. Debtor also authorizes Secured Party, at any time and from time to time following the occurrence and during the continuance of an Event of Default, (i) to communicate in Debtor's own name with any party to any Contract with regard to the assignment of the right, title and interest of Debtor in and under the Contracts hereunder and other matters relating thereto and (ii) to execute, in connection with the sale provided for in Section 7 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

6. Performance by Secured Party of Debtor's Obligations. If Debtor fails to perform or comply with any of its agreements contained herein and Secured Party, as provided for by the terms of this Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of Secured Party incurred in connection with such performance or compliance, together with interest thereon

at the highest rate then in effect in respect of the Obligations, shall be payable by Debtor to Secured Party on demand and shall constitute Obligations secured hereby.

7. Remedies, Rights Upon an Event of Default.

a. If any Event of Default shall occur and be continuing. Secured Party may exercise in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Debtor expressly agrees that in any such event Secured Party, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Debtor or any other Person (all and each of which demands, advertisements and/or notices are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give an option or options to purchase or sell, or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or any of Secured Party's offices or elsewhere at such prices as it may in its sole discretion elect, for cash or on credit or for future delivery without assumption of any credit risk. Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase, by bidding in its debt or otherwise, the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption Debtor hereby releases. Debtor further agrees, at Secured Party's request, to assemble the Collateral and make it available to Secured Party at places which Secured Party shall reasonably select, whether at Debtor's premises or elsewhere. Secured Party shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale as provided in Section 8(d) hereof, Debtor remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by Secured Party of any other amount required by any provision of law, including Section 9-504(1)(c) of the UCC, need Secured Party account for the surplus, if any, to Debtor. To the maximum extent permitted by applicable law, Debtor waives all claims, damages, and demands against Secured Party arising out of the repossession, retention or sale of the Collateral. Debtor agrees that Secured Party need not give more than ten days notice of the time and place and that such notice is reasonable notification of such matters. Debtor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Secured Party is entitled, Debtor also being liable for the fees and expenses of any attorneys employed by Secured Party to collect such deficiency.

b. Debtor also agrees to pay all costs of Secured Party including, without limitation, attorneys' fees and disbursements, incurred in connection with the enforcement of any of its rights and remedies hereunder.

c. Debtor hereby waives presentment, demand, protest, or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Agreement or any Collateral.

d. The Proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be applied by Secured Party to the Obligations in such manner as Secured Party shall, in its sole and absolute discretion, determine.

8. Limitation on Secured Party's Duty in Respect of Collateral. Secured Party shall not have any duty as to any Collateral in its possession or control or in the possession or control of its agents or nominees or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto, except that Secured Party shall use reasonable care with respect to the Collateral in its possession or under its control. Upon request of Debtor, Secured Party shall account for any monies received by it in respect of any foreclosure on or disposition of the Collateral.

9. Notices. All notices and other communications provided for hereunder shall be given or made by telecopy, first class mail, overnight delivery, or personal delivery, if to Debtor, addressed to it at the address specified on page 1 of this Agreement, and if to Secured Party, addressed to it at the address specified on page 1 of this Agreement, and, as to each party, at such other address as shall be designated by such party in a written notice to each other party given in accordance with this Section 9. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telecopy, subject to telephone confirmation of receipt and the provision immediately thereafter of a copy by first class mail, overnight delivery or personal delivery or, in the case of a mailed notice, when duly deposited in the U.S. mails, first class postage prepaid, in each case given or addressed as aforesaid.

10. Amendments, Etc. No amendment or waiver of any provision of this Agreement nor consent to any departure by Debtor therefrom shall in any event be effective unless the same shall be in writing, signed by Secured Party, and then any such waiver or consent shall only be effective in the specific instance and for the specific purpose for which given.

11. No Waiver; Remedies.

a. No failure on the part of Secured Party to exercise, and no delay in exercising any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are

cumulative, may be exercised singly or concurrently, and are not exclusive of any remedies provided by law, this Agreement, the Note, or any other document or instrument evidencing or securing the Obligations (collectively, the "Loan Documents").

b. Failure by Secured Party at any time or times hereafter to require strict performance by Debtor or any other Person of any of the provisions, warranties, terms or conditions contained in any of the Loan Documents now or at any time or times hereafter executed by Debtor or any such other Person and delivered to any of Secured Party shall not waive, affect or diminish any right of Secured Party at any time or times hereafter to demand strict performance thereof, and such right shall not be deemed to have been modified or waived by any course of conduct or knowledge of Secured Party, or any agent, officer or employee of such Secured Party.

12. Successors and Assigns. This Agreement and all obligations of Debtor hereunder shall be binding upon the successors and assigns of Debtor, and shall, together with the rights and remedies of Secured Party hereunder, inure to the benefit of Secured Party and its respective successors and assigns.

13. Governing Law. This Agreement shall be governed by, and be construed in accordance with, the law of the State of Utah. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity and without invalidating the remaining provisions of this Agreement.

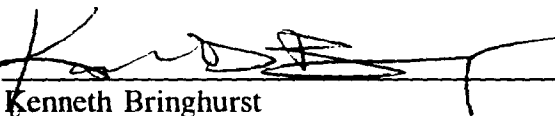
14. Further Indemnification. Debtor agrees to pay, and to save Secured Party harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all excise, sales or other similar taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement.

15. Consent to Jurisdiction. Courts within the State of Utah shall, to the extent permitted by applicable law, have nonexclusive jurisdiction over any and all disputes arising under or pertaining to this Agreement and all obligations of Debtor hereunder. In any and all such disputes, Debtor hereby irrevocably consents to the nonexclusive jurisdiction of all courts within the State of Utah and the service or process or any of the aforesaid courts by the mailing of copies thereof by registered or certified mail, postage prepaid, to Debtor at its address provided herein, and venue in any such dispute shall, to the extent permitted by applicable law, be proper in Washington County.

16. Section Titles. The Section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of this Agreement.

IN WITNESS WHEREOF, Debtor has caused this Agreement to be executed and delivered by its duly authorized officer on the date first above written.

STRATA, INC.
a Utah corporation

By 

Kenneth Bringhurst
Chief Executive Officer

PROMISSORY NOTE

\$150,000.00

**St. George, Utah
May 20, 1996**

FOR VALUE RECEIVED, STRATA, INC., a Utah corporation, ("**Borrower**"), promises to pay to the order of **LAVERNA BRINGHURST JOHNSON**, ("**Lender**"), 471 North 100 West, St. George, Utah 84770, or at such other place as Lender may specify in writing to Borrower, the aggregate principal amount of U.S. \$150,000.00 as advanced by Lender to Borrower, as follows:

Interest shall accrue on the unpaid principal balance of this Note at the rate of ten percent, (10%) A.P.R., calculated on the basis of a 360-day year and a 30-day month. Interest and principal under the Note shall be due and payable in full within eighteen (18) months of the date of execution of this Note.

In the event of any payment prior to the maturity date of this note, the same shall be credited first to accrued and unpaid interest and then to principal. Borrower shall have the right to prepay all, or any portion, of the indebtedness owing under the Note at any time without penalty. Any prepayment hereunder shall be credited first to interest on the principal balance of the Note, with the remainder of such payment being credited against the principal balance of the Note.

This Note is secured by a Security Agreement of even date herewith executed by Borrower ("**Security Agreement**") encumbering all general intangibles and intellectual property assets of the Borrower (the "**Collateral**"). Notwithstanding any provision hereof, Borrower shall not sell, transfer or assign the Collateral, other than in the normal course of selling and replacing the same, without Lender's prior written consent, which consent shall not be unreasonably due and payable in full. Moreover, in the event of any change of ownership of the Borrower, all principal and accrued and unpaid interest hereunder shall be immediately due and payable in full.

Time is of the essence of payment. Upon failure to make any payment as herein provided within fifteen (15) days of the date due, the unpaid principal balance hereof, at the option of the Lender, shall at once become due and payable, and all past due installments and unpaid late fees shall thereafter bear interest at the rate of eighteen percent (18%) per annum, until paid. The amounts specified in this paragraph are in addition to costs of enforcement and collection that may be due and payable under this Note.

The acceptance of any sum less than a full installment shall not be construed as a waiver of the default in the payment of such full installment.

If an attorney is engaged or other action taken by Lender to enforce any provision of this Note or the Security Agreement, or any other document or instrument evidencing or securing the indebtedness represented hereby, or as a consequence of any default, with or without the filing or any legal action or proceeding, then Borrower shall immediately pay, on demand, all attorney's fees and all other costs incurred by Lender, together with interest thereon from the date of such demand until paid at the default interest rate specified above.

No previous waiver and no failure or delay by Lender in acting with respect to the terms of this Note or the Security Agreement, or any other document or instrument evidencing or securing the indebtedness represented hereby, shall constitute a waiver of any breach, default or failure of condition under this Note, the Security Agreement or any other document or instrument evidencing or securing the indebtedness represented hereby.

Any waiver of any term of this Note, the Security Agreement or any other document or instrument evidencing or securing the indebtedness represented hereby, or of any of the obligations secured thereby, must be made with the consent of Borrower and Lender and shall be limited to the express written terms of such waiver. In the event of any inconsistencies between the terms of this note and the terms of any other document related to the loan evidenced by this Note, the terms of this Note shall prevail.

Borrower hereby waives: presentment; demand; notice of dishonor; notice of default or delinquency; notice of acceleration; notice of protest and nonpayment; notice of cost; expenses or losses and interest therein; notice of late charges; and diligence in taking any action to collect any sums owing under this Note. The right of the undersigned to plead any and all statutes of limitation as a defense to any demand on this Note is expressly waived to the full extent permissible by law.

This Note shall be construed and enforced in accordance with the laws of the State of Utah, and all persons and entities in any manner obligated under this Note consent to the jurisdiction of any federal or state court within the State of Utah having proper venue and also consent to service of process by any means authorized by Utah or federal law.

All terms and conditions of this Note shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

STRATA, INC.
a Utah corporation


Kenneth D. Bringhurst

Chief Executive Officer

State of Utah -- Department of Commerce -- Date = 05/13/98
UCC -- FILING

UCC File #522778
UCC Filing Date06/06/96
UCC Filing Time16:00
UCC Expiration Date06/06/01
Microfilm Reference #

=> Debtor NameSTRATA
Debtor Tax I.D. #870463266
Debtor Street Address2 W ST GEORGE BLVD STE 2100
Debtor City/State/ZipST GEORGE UT 84770

Secured Party NameJOHNSON LAVERNA BRINGHURST
Secured Party Street Address471 N 100 W
Secured Party City/State/ZipST GEORGE UT 84770
Collateralized Property DescriptionGENERAL INTANGIBLES & INTELLEC

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

State of Utah
Department of Commerce
Division of Corporations & Commercial Code

UCC File #
96-522778

Recorded on 06/06/1996 at 04:00pm.
(Page #1)

1. Debtor(s) (Last Name First) and address(es)
STRATA, INC.
2 West St. George Blvd.
Suite 2100
St. George, UT 84770
Social Security No. 870463266

2. Secured Party(ies) and address(es)
LaVerna Bringhurst Johnson
471 North 100 West
St. George, UT 84770
Social Security No.: 529-38-7987

For Filing Officer (Date, Time, Number, and Filing Office)

5. Assignee(s) of Secured Party and Address(es)

4. This Financing Statement covers the following types (or items) of property:

General intangibles and intellectual property

6. Gross sales price of collateral
\$150,000.00
Sales
or use tax paid to State of

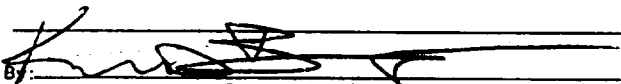
The Secured party is _____ is not a seller or Purchase money lender of the collateral.

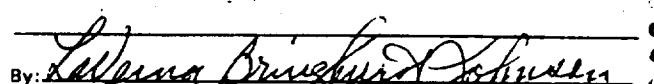
This statement is filed without the debtor's signature to perfect a security interest in collateral (Check if so)
 already subject to a security interest in another jurisdiction when it was brought into this state.
 which is proceeds of the original collateral described above in which a security interest was perfected.

Check if covered: Proceeds of Collateral are also covered. Products of Collateral are also covered. No. of additional Sheets presented:

3. Maturity date (if any):
November 26, 1997

Approved by Division of Corporations and Commercial Code, Department of Business Regulations.

By: 
Strata, Inc. By Kenneth D. Bringhurst

By: 
LaVerna Bringhurst Johnson

STANDARD FORM - FORM UCC-1.
(1) FILING OFFICER COPY - ALPHABETICAL

615803006