

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

CEASE & DESIST ORDER

CHEMICAL TRUST and its
TRUSTEES, PRINCIPALS, OFFICERS, AGENTS,
AND AFFILIATES, including, but not limited to,
LEWEY L. CATO, III; and,
UNITED MARKETING TRUST and its
TRUSTEES, PRINCIPALS, OFFICERS, AGENTS,
AND AFFILIATES, including, but not limited to,
CLIFTON WILKINSON; and,
UNITED STATES GUARANTEE CORPORATION
and its PRINCIPALS, OFFICERS, AGENTS,
AND AFFILIATES, including, but not limited to,
ALVIN A. TANG

NO. 99-059-S

CEASE AND DESIST ORDER

The Arkansas Securities Department ("Department") has received information and has in its possession certain evidence which indicates that Chemical Trust ("Chemical"), Lewey L. Cato, III ("Cato"), United Marketing Trust ("United"), Clifton Wilkinson ("Wilkinson"), United States Guarantee Corporation ("Guarantee"), and Alvin A. Tang ("Tang") have violated and/or will violate provisions of the Arkansas Securities Act ("Act"), Ark. Code Ann. §_23-42-101 *et seq.*

FINDINGS OF FACT

1. According to documents and information received by the Department, Chemical is a "trust" with a private mailbox located at 130 Wildwood Parkway, Suite 108, Birmingham, Alabama 35209. Chemical describes itself as a "U.S. Trust". Cato is Trustee of Chemical.

2. According to documents and information received by the Department, United is a "trust" located at 4126 Pleasant Dale Road, B-207, Atlanta, GA 30340. Wilkinson is the Trustee of United, and his home address is 8170 Jarrett Manor Estates, Toccoa, Georgia 30577. United's stated purpose is to "... handle all public relations and marketing aspects for Chemical Trust". See: "Dear Prospective Investor" letter attached as Exhibit A.
3. According to information from the Nevada Secretary of State website, Guarantee is a Nevada Corporation as of April 3, 1996. Guarantee's offices are at 6991 East Camelback Road, Suite B-101, Scottsdale, Arizona, 85251. Tang is Guarantee's Chief Operating Officer.
4. By means of printed material ("Offering"), Chemical and Wilkinson solicited Arkansas residents to market "Guaranteed Contract Agreements" ("Investment") in Chemical to their clients, presumably Arkansas residents. These Investments are promissory notes offering an implied higher than usual return, and are primary obligations of Chemical. A sample in the Offering uses a 15% return on a \$15,000 investment. How these returns will be produced is not stated. A copy of the Offering is attached hereto as Exhibit B.
5. According to the Offering, Agents and investors are required to become members of Chemical at an annual fee of \$99.
6. According to the Offering, all Investments are purportedly guaranteed by Chemical via a surety payment bond ("Surety" or "Sureties") issued by Guarantee. Chemical claims \$725,000,000 in assets, and Guarantee claims \$2,400,000,000 in assets.
7. According to the Offering, Guarantee guarantees an investor's principal by a "Surety Payment Bond".
8. According to the Offering, investors must acknowledge that the Investments are not securities.

APPLICABLE LAW AND RULES

9. Ark. Code Ann. § 23-42-201 gives the Arkansas Securities Commissioner authority to administer the provisions of the Act.
10. Ark. Code Ann. § 23-42-209(a)(1) provides that, when it appears to the Commissioner that sufficient grounds or evidence exist that any person has violated or is about to violate any provision of the Act, the Commissioner may summarily order the person to cease and desist from that act or practice.
11. The Act defines a "security" to mean any evidence of indebtedness; investment contract; or any guarantee of an evidence of indebtedness or investment contract. Ark. Code Ann. § 23-42-102(15)(A)(vi); Ark. Code Ann. § 23-42-102(15)(A)(xi); Ark. Code Ann. § 23-42-102(15)(A)(xvi).
12. Ark. Code Ann. § 23-42-301(a) provides that it is unlawful for any person to transact business in this state as a broker-dealer or agent unless he is registered under this chapter.
13. Ark. Code Ann. § 23-42-301(b) provides that is unlawful for any issuer to employ an unregistered agent.
14. Ark. Code Ann. § 23-42-501 provides that it is unlawful for a person to offer or sell any security in this state unless the security is registered in accordance with the Act, exempt from that registration, or a covered security.
15. Ark. Code Ann. § 23-42-507 states:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly:

 - 1) To employ any device, scheme, or artifice to defraud;
 - 2) To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or
 - 3) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

CONCLUSIONS OF LAW

16. The Investments are securities as that term is defined by the Act, Ark. Code Ann. § 23-42-102(15)(A).
17. According to the records of the Arkansas Securities Commissioner, these securities are not registered with the Commissioner, nor has an exemption from registration been filed and approved by the Commissioner. Further, the securities are not "covered securities" as defined by the Act. Ark. Code Ann. § 23-42-102(4).
18. Chemical is an "issuer" as that term is defined by the Act, to-wit: "every person who issues or proposes to issue any security . . ." Ark. Code Ann. § 23-42-102(9). According to the records of the Arkansas Securities Commissioner, Chemical is not registered with the Commissioner as an issuer.
19. Cato, United and Wilkinson are each "agents" as that term is defined by the Act, to-wit: "any individual . . . who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities." Ark. Code Ann. § 23-42-102(2)(A). According to the records of the Arkansas Securities Commissioner, Cato, United and Wilkinson are not registered with the Commissioner as agents.
20. The Sureties made by Guarantee for the Investments, are securities as defined by the Act, Ark. Code Ann. § 23-42-102(15)(A).
21. According to the records of the Arkansas Securities Commissioner, these Sureties are not registered with the Commissioner, nor has an exemption from registration been filed and approved by the Commissioner. Further, these Sureties are not "covered securities" as defined by the Act. Ark. Code Ann. § 23-42-102(4).
22. According to documents and information received by the Department, Chemical, Cato, United, or Wilkinson does not disclose that mandatory membership in Chemical by the Agent and investor creates a pooling of interests of the Agent and investor.

OPINIONS

23. For reasons set forth herein and based upon Findings of Fact and Conclusions of Law recited above, it is the opinion of the Commissioner that:
24. This matter has been properly brought before the Commissioner.
25. The Investments and Sureties are securities subject to the registration requirements of the Act.
26. The Investments and Sureties have not been registered with the Department; neither are they exempt from that registration nor are they covered securities.
27. Cato, United, and Wilkinson are not registered with the Department as an agent of the issuer for Chemical.
28. Cato, United, and Wilkinson have engaged in fraud, in violation of Ark. Code Ann. § 23-42-507, in that they engaged in a course of business which deceived or could deceive Arkansas Agents, and, subsequently, Arkansas residents, into believing the offer and sale of the Investments in Arkansas was lawful.
29. Cato, United, and Wilkinson have engaged in fraud, in violation of Ark. Code Ann. § 23-42-507, in that they misled the Agent to believe that no licensing is required.
30. Chemical and Wilkinson have engaged in fraud, in violation of Ark. Code Ann. § 23-42-507, in that they misled the Agents and investors to believe that the investments were backed by a surety bond.
31. Chemical, Cato, United, and Wilkinson, and agents thereof should immediately cease and desist from further marketing solicitation and/or sale of the Investments.
32. Chemical, Cato, United, and Wilkinson, and agents thereof should immediately cease and desist from the collection of funds from any Arkansas resident.
33. This order is in the public interest.

ORDER

IT IS THEREFORE ORDERED THAT Chemical Trust, Lewey L. Cato, III, United Marketing Trust, Clifton Wilkinson, United States Guarantee Corporation, Alvin A. Tang and the Trustees, Officers, Agents, and/or Affiliates of the foregoing, CEASE AND DESIST from any future action in the State of Arkansas in connection with the offer and sale of securities until such persons and offerings are properly registered or exempt from registration with Arkansas.

WITNESS MY HAND AND SEAL this 1st day of October 1999.



Mac Dodson
Arkansas Securities Commissioner

CHEMICAL TRUST

The Trust is set up to offer higher interest rates than banks because they invest their money in different ways and the yield is higher enabling them to pass a portion of the earnings on to the Grantor. Most of the Grantor's funds are invested in BANK Notes, which are purchased from large banks that are regulated by the federal reserve (this is known in the industry as a Buy/Sell Agreement).

Also, the Trust guarantees the GRANTOR'S FUNDS with a Surety Payment Bond.

THE BOND COMPANY HAS AN OFFICER WITH THE TRUST TO APPROVE ALL INVESTMENTS. NO CONTRACTED FUNDS WILL BE INVESTED WITHOUT PERMISSION FROM THE BOND COMPANY. THE TRUST IS INDEMNIFYING THE BOND COMPANY ONE HUNDRED PERCENT. NO BOND COMPANY WILL GUARANTEE FUNDS EXCEPT THEY HAVE THE FULL AMOUNT OF THE ASSET BLOCKED TO COVER THE CONTRACTED AMOUNT OR BE IN COMPLETE CONTROL OF APPROVAL ON ALL INVESTMENTS. THE BOND COMPANY COULD NOT STAY IN BUSINESS WITHOUT TOTAL CONTROL.

There are FIVE Board Members (Directors) of the Trust.

I, LEWEY L. CATO, III, REPRESENT THE TRUST AS CHIEF TRUSTEE OF OPERATIONS.

WE AT THE TRUST DO WELCOME YOUR INQUIRY INTO THIS PROGRAM.

LEWEY L. CATO, III, TRUSTEE

(INDEX)
PACKAGE INCLUDES

- 1- TRUST OVERVIEW & STRUCTURE -- 1 PAGE**
- 2- TRUST SECURITY FOR GRANTOR & PENALTY PAYMENT FOR EARLY WITHDRAWAL OF C.D.'S & MONEY MARKET ACCOUNTS TO FULLY PROTECT THE CLIENT -- 3 PAGES**
- 3- CONTRACT FOR THE CLIENT -- 7 PAGES
CLIENTS FILL OUT ALL ITEMS IN SECTION 3.
(SAMPLE CONTRACT - 7 PAGES) **** TOTAL 13 PAGES.****
- 4- QUESTIONS & ANSWERS -- 2 PAGES**
- 5- AGENTS APPLICATION -- 6 PAGES (ALL AGENTS MUST FILL OUT)**
- 6- SAMPLE OF SURETY PAYMENT BOND AND SAMPLE OF GRANTOR'S (CLIENT'S) CERTIFICATE -- 2 PAGES**
- 7- FINANCIAL STATEMENT ON SURETY BOND COMPANY -- 11 PAGES**
- 8- FOR QUALIFIED FUNDS: INCLUDES- (IRA'S & PENSION FUNDS)... 8 PAGES. **** CALL FOR ORIGINALS --- THE PAGES IN THIS SALES MANUAL ARE ONLY SAMPLES! CALL 404-240-1551 AND SPEAK WITH LORIE, JIM, SEETON, OR BOB AND INFORM THEM THAT YOU ARE WITH CHEMICALTRUST AND NEED ORIGINAL SELF-DIRECTED IRA PACKAGES FOR CLIENTS.****

CHECKS FOR QUALIFIED FUNDS ARE MADE PAYABLE TO: "FIDELITY NATIONAL BANK". ALL PAPER WORK IS TO BE SENT TO THE ADDRESS ON THE FRONT OF THIS SALES MANUAL UNLESS DIRECTED OTHERWISE **INCLUDING QUALIFIED FUNDS WITH TRANSFER FORM THAT IS IN SECTION EIGHT.****

CLIENT'S CONTRACT ALONG WITH \$99.00 ANNUAL MEMBERSHIP FROM THE CLIENT IS TO BE SENTOVERNIGHT* NO EXCEPTIONS.**

Case 70. JOAN MOORE

CHEMICAL TRUST

FMS #105

130 WILDWOOD PKWY SUITE 108

BIRMINGHAM, AL 35209-7155

PH. 1-800-478-3107

FAX 1-800-849-4106

U.S. TRUST

EXHIBIT
B

United Marketing Trust

4126 Pleasant Dale Rd. B-207
Atlanta, Georgia 30340
(770) 409-9900 Ext. #120-124

Dear Prospective Investor,

United Marketing Trust has been contracted to handle all public relations and marketing aspects for Chemical Trust. Chemical Trust has been in business for fourteen years and has assets of seven hundred and fifty million dollars. This is the primary guarantor of the guaranteed contract. The trust offers investors an opportunity to purchase a guaranteed contract, providing substantially higher interest rates than obtained through CD's and fixed annuities. This program not only yields higher interest rates but also provides security that the market does not because of the guarantee of principle. The trust is also a great alternative to stocks and mutual funds. We are able to offer you an outstanding opportunity to earn competitive returns locked in from one to ten years.

Program offer: **Safety of Principle, Fully Secured (Surety Payment Bond)!**
 No Stock Market Risk !
 Fixed Rate of Returns ! No Interest Fluctuations !
 Short Maturity Terms
 Qualified IRA'S, 401k's and SEP's !
 We pay Penalties & Early Surrender Charges (Why Wait?)

It is very improbable that a company of Chemical Trusts' stature could default, especially since the business of the Trust is an asset management program secured by bank endorsed guarantees. However, if the Trust did default, we have a back up guarantor.

United States Guarantee Corporation issues a surety bond that carries the company seal in the full amount of the investment. CD's are only insured up to \$100,000 and there are no guarantees in the stock market. You will receive the actual bond in the full amount after the investment is processed and the funds have cleared. U.S. Guarantee specifically designates two dollars in reserve for every contracted dollar through the full term of the investment.

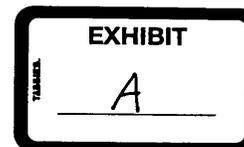
Another security feature is that the bonding company approves all investments. This additionally insures the integrity of each investment and its guarantee. There is in excess of TWO BILLION dollars security on your investment. In the event default should occur, we have a 2.4 billion-dollar surety company as a back-up guarantor.

We are proud to offer one of the finest investment programs available today. Over the years, our clients have achieved high investment yields, while maintaining absolute safety and security. We welcome your questions, comments and look forward to a very rewarding relationship together.

Sincerely yours,

Clifton Wilkinson

Clifton Wilkinson
Trustee



CHEMICAL TRUST

QUALIFICATIONS:

In order to maintain the integrity of the program, each member must complete the following:

1. Complete Acknowledgement Form.
2. Complete Application, Subscription, and Compliance Verification Forms.
3. Sign all forms.
4. Provide funds.

After funds have cleared, you will receive your Contract and Surety Bond.

FINANCIAL STRENGTH:

With over \$725 million in assets to protect clients, CHEMICAL TRUST is dedicated to provide you the safety, liquidity, and protection you expect in today's uncertain environment.

BOND PROVIDER:

U.S. GUARANTEE CORPORATION'S FINANCIAL STATEMENT IS IN EXCESS OF 2.4 BILLION DOLLARS.

PLEASE NOTE: DUE TO CONFIDENTIALITY U.S. GUARANTEE CORPORATION AND FIDELITY NATIONAL WILL BE UNABLE TO PROVIDE ANY INFORMATION TO YOU WITHOUT THE CONSENT OF THE TRUST. *IF YOU WISH TO CONTACT EITHER OF THESE IT MUST BE COORDINATED BY CHEMICALTRUST.**

CHEMICAL TRUST

TO: ALL AGENTS

RE: SECURITY FOR ALL CLIENTS

PLEASE BE AWARE OF AND INFORM ALL YOUR CLIENTELE AND SUB-AGENTS ABOUT THE ASSETS OF THE TRUST AND THE BOND COMPANY GUARANTEEING THE FUNDS OF ALL CLIENTS.

THE TOTAL DOLLAR AMOUNT OF SECURITY FOR YOUR CLIENTS EXCEED 2.4 BILLION DOLLARS.

THE TRUST WILL PAY THE PENALTY ON EARLY WITHDRAWAL WITHOUT PRIOR APPROVAL--FOR EVERY 2% PENALTY ADD ONE YEAR TO THE CONTRACT (EXAMPLE: IF YOU HAVE 4% PENALTY ADD TWO YEARS TO THE EXISTING YEAR). THE PENALTY AMOUNT IS APPROVED ON C.D.'S OR MONEY MARKET ACCOUNTS. NOTE THE PENALTY AMOUNT ON THE CONTRACT THAT IS SIGNED BY CLIENT AND TRUST.

SINCERLY,

LEWEY L. CATO, III, TRUSTEE

ACKNOWLEDGEMENT AGREEMENT FORM

YES, I/WE _____

CLIENT NAME

WOULD LIKE THE INFORMATION ON THE CHEMICAL TRUST
GUARANTEED CONTRACT.

THANK YOU,

CLIENT SIGNATURE

DATE

**THIS FORM MUST BE MAILED WITH ANY NEW
APPLICATIONS.**

ALL FUNDS ARE IN U. S. DOLLARS.

**ANY MARKABLE PAPER SUCH AS STOCKS, BONDS, T-BILLS
OR BLOCKED FUNDS IN ANY FORM CAN BE CONTRACTED,
CALL THE PHONE NUMBER IN YOUR SALES MANUAL FOR
QUOTES.**

This Contract entered on this _____ DAY _____, _____ by and between:

CHEMICAL TRUST

AND Client: _____

APPLICATION FORM

FIRST MIDDLE LAST D.O.B. SS#

FIRST MIDDLE LAST D.O.B. SS#

STREET ADDRESS: CITY STATE ZIP PHONE #

ACCOUNT TYPE: () Individual () Joint () Trust
() Partnership () Corporate () Sole Proprietorship
() Other: _____

APR _____ **% TERM** _____ **YEAR(S)**
() INTEREST MONTHLY () ACCUMULATE () MATURITY
SPECIAL REQUESTS: _____

TO THE BEST OF MY KNOWLEDGE, INTEREST EARNED SHALL BE:
() REGULAR () TAX QUALIFIED () OTHER: _____

TRANSFER INFORMATION
() REGULAR: Complete CHEMICALTRUST Transfer Form.
() QUALIFIED or OTHER: Complete appropriate Custodian application forms.

Please indicate the custodian to be utilized. _____
I/we hereby certify that the information contained in this application is true and correct to the best of my knowledge.

\$99.00 ANNUAL MEMBERSHIP FEE RECEIVED FROM _____ AGENT _____ CLIENT

SIGNATURE OF OWNER DATE

SIGNATURE OF CO-OWNER DATE

SPECIAL CONDITIONS: AGREEMENT IS VALID UPON RECEIPT OF FUNDS.

CHEMICAL TRUST SUBSCRIPTION FORM

THIS IS TO certify that I/we _____, hereby subscribe and agree to purchase from **CHEMICAL TRUST**, a Guaranteed Contract Agreement and understand the following features are associated with it.

INTEREST ACCUMULATION-Unless otherwise established the interest paid out on a Guaranteed Contract is on a taxable basis, such tax being the sole responsibility of the purchaser. The interest rate is expressed as an annual percentage rate (APR) on the account balance.

CURRENT INTEREST RATE-The current interest rate is ____%APR and is guaranteed for a **TWELVE (12) MONTH TERM**. Interest starts the day the check for the purchase of the Guaranteed Contract funds have cleared.

TERM - The term is for twelve (12) months, **TO TEN YEARS** but purchasers have the option to repurchase for one or more additional twelve month terms.

FIXED INTEREST - So long as the **CONTRACT** is in place and the principal funds undisturbed, the interest rate will not go below ____%APR. Purchaser has the option of drawing income on a monthly basis or leave the interest to accumulate, with interest taken in a lump sum at the close of the term.

REPURCHASE -Repurchase notices are sent out **THIRTY (30)** days prior to maturity. The Trust reserves the right to reinvest any contract, **AS IS**, whose owner does not communicate a desire to surrender the contract at maturity.

GUARANTEE - This Guaranteed Contract is secured by a Surety Payment Bond. This guaranteed contract is not guaranteed by the FDIC, FSLIC, or any banking or savings and loan **BOND** fund sponsored by any local, state or federal government. Nor is it underwritten, backed, sponsored, endorsed or in any way guaranteed by any other government agency of any State or of the United States. It is a primary obligation of **CHEMICAL TRUST, GUARANTEED BY A SURETY PAYMENT BOND**.

1. Payment by way of check made payable to: **CHEMICAL TRUST**.

Check No. _____ Date: _____ Check Amount: _____ Contract Amount _____

2. Interest Distribution plan is:

() **INTEREST INCOME MONTHLY** () **ANNUALLY** () **ACCUMULATE TO MATURITY**

3. I/we have read, understand and agree with the statements on both sides of this form.

Signature of Primary Owner _____
Date

Signature of Co-Owner _____
Date

Representative: _____
Printed Name _____
Representative Number

Representative Signature _____
Date

CHEMICAL TRUST COMPLIANCE VERIFICATION

CHEMICAL TRUST has prepared this non-technical statement of facts so that you will have a better understanding of your agreement to purchase. We wish to minimize any possibility of unauthorized statements or misunderstandings of the facts. Please take a moment to read the following statements. If you do not understand a statement please ask for an explanation. Please acknowledge the following:

I/we certify that a representative of CHEMICAL TRUST has fully explained and delivered documentation concerning this GUARANTEED CONTRACT. I have had the opportunity to fully read said documents. The representative has not made any promises above and beyond the information contained in said documentation. In addition to the information disclosed, my general understanding is as follows:

1. I understand I am being issued a Guaranteed Contract, with a twelve (12) month term OR LONGER.
2. I have been afforded the opportunity to ask questions of the TRUST concerning this Contract Agreement and have been furnished with such information with respect to the contract, activities and assurances as I have requested. I understand that the Contract is not registered as a security with any State or Federal agency. I further understand that the interest is FIXED and does not fluctuate with market conditions.
3. I understand that I am allowed to withdraw my principal prior to maturity date, although there will be a penalty. Under proven hardship cases there will be no penalty. (SEE PAGE FIVE FOR PENALTY OF EARLY WITHDRAWAL)
4. I understand that upon maturity if I have not notified CHEMICAL TRUST of my intent to surrender this Contract, it will automatically be renewed for a new twelve-(12) month term.
5. I understand my interest shall be paid annually, unless otherwise stated.
6. I understand this Contract is backed by A SURETY PAYMENT BOND insuring the principal. ** Interest can be insured by the Grantor at the rate of 6 to 10%, depending on the amount, but payment has to be paid up front at the time of the Contract. I further understand that other than expressly written there are no other promises or warranties.
7. My purchase of this Contract is not a result of a general public offering but by membership only.
8. I also understand, that the decision to contract with CHEMICALTRUST rests entirely with me.
9. I authorize the TRUST and/or regulatory agencies to contact me in order to verify my signature, which I have affixed below.

Signature of Owner	Date	Signature or Co-Owner	
Printed Name/s		Phone Number	
Address	City	State	Zip

CHEMICAL TRUST

Indemnification. The undersigned hereby agrees to indemnify and hold harmless the TRUST and its affiliates, the Trustees, accountants, attorneys, employees, officers, directors, and shareholders from any liability, loss, costs or damages incurred by them as a result of the undersigned's representations or warranties herein being untrue, or for any breach of this agreement by the undersigned.

Taxpayer Identification Number/Backup Withholding Certification. A Subscriber will certify on the Subscription Agreement that his/her taxpayer identification number is correct and if not a Trust, IRA, Keogh, or Qualified Trust (as to which there would be no withholding) he is subject to backup withholding on interest or dividends. If the subscriber does not provide a taxpayer identification number certified to be correct or does not make the certification that the subscriber is not subject to backup withholding, then the Noteholder may be subject to twenty percent (20%) withholding on interest paid to the subscriber.

A PENALTY FEE OF SIX MONTHS INTEREST PLUS ONE PERCENT ADMINISTRATIVE FEE AND COST OF BOND WILL BE APPLIED FOR EARLY WITHDRAWALS (EXCLUDING HARDSHIP CASES).

Note Amount Purchased _____

Printed Name/s _____

Signature of Owner _____

Signature of Co-Owner (if applicable) _____

SELLING AGENT _____

OFFICE AGENT'S NAME _____

Date _____

NON-CIRCUMVENTION & NON-COMPETE AGREEMENT

THIS AGREEMENT BETWEEN _____ AND
CHEMICALTRUST AND ANY OTHER COMPANY WHETHER FORMED OR NOT, REPRESENTING THE CLIENT IS A
RECIPROCAL AND MUTUAL CONTRACT BETWEEN THE PARTIES

1. THE PARTIES AGREE TO KEEP COMPLETELY CONFIDENTIAL THE NAMES OF BANKS, INSTITUTIONS, TRUSTS, INDIVIDUALS, ANY COLLATERAL PROVIDER, LENDERS, BORROWERS, BUYERS OR SELLERS, INTRODUCED BY ANY OF THE PARTIES OR THEIR ASSOCIATES. SUCH IDENTITY SHALL REMAIN CONFIDENTIAL DURING APPLICABLE TRANSACTION(S) AND FOR A PERIOD OF TEN (10) YEARS FOLLOWING INTRODUCTION. IN ALL MATTERS OF DISCLOSURE TO THIRD PARTIES, THE PARTY TO THIS AGREEMENT WHO IS THE INTRODUCING PARTY SHALL HAVE THE FINAL DECISION ON THE INFORMATION TO BE DISCLOSED AND THE METHODS AND PROCEDURES OF THE DISCLOSURE TO THE THIRD PARTIES.

2. EACH PARTY HERETO AGREES NOT TO CIRCUMVENT, AVOID, BYPASS OR OBTAIN THE OTHER PARTY, DIRECTLY OR INDIRECTLY, TO AVOID PAYMENT OF FEES OR COMMISSIONS IN ANY TRANSACTION WITH ANY BANK, LENDING INSTITUTION, TRUST, INDIVIDUAL, LENDER, BORROWER, BUYER, OR SELLER, WHO HAVE BEEN INTRODUCED BY EITHER PARTY TO THE OTHER, IN CONNECTION WITH ANY OTHER FINANCIAL TRANSACTION REQUESTED BY THE CUSTOMER OF A PARTY.

3. IF IN THE EVENT OF CIRCUMVENTION OR BREACH OF THIS AGREEMENT, EITHER DIRECTLY OR INDIRECTLY, THE INJURED PARTY SHALL BE ENTITLED TO DAMAGES EQUAL TO THE MAXIMUM FEE OR COMMISSION IT SHOULD HAVE REALIZED FROM ANY TRANSACTION CONDUCTED BY THE PARTY TO THE OTHER IN CONNECTION WITH ANY OTHER FINANCIAL TRANSACTION REQUESTED BY THE CUSTOMER OF A PARTY.

4. IF EITHER PARTY SHALL BRING AN ACTION TO RECOVER PAYMENT OR OTHER COMPENSATION PURSUANT TO THE TERMS OF THIS AGREEMENT THE PREVAILING PARTY SHALL BE ENTITLED TO A TWENTY PERCENT (20%) ATTORNEY'S FEE.

5. THIS UNDERSTANDING SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON. NO PARTICIPANT WILL ATTEMPT TO CONTACT, DEAL WITH IN ANY WAY, OR SOLICIT THE SOURCE OF CLIENT OF EACH OTHER AT ANY TIME, OR IN ANY MANNER, WITHOUT THE PRIOR WRITTEN CONSENT OF ANY OTHER PARTICIPANT HAVING INTRODUCED THE SAID SOURCE OR CLIENT. THIS AGREEMENT SHALL BE KEPT CONFIDENTIAL AND IS NOT TO BE REPRODUCED IN ANY MANNER WHATSOEVER EXCEPT ON A "NEED TO KNOW" BASIS. THIS AGREEMENT SHALL BIND THE PARTIES, AND THEIR HEIRS, SUCCESSORS, ASSIGNS, AND SHALL PROVIDE AN EXCLUSIVE AGENCY FOR PARTIES INTRODUCING BANKERS, TRUSTEE TO THIS AND/OR FUTURE TRANSACTIONS.

6. FURTHERMORE, IT IS HEREBY MUTUALLY AGREED THAT A FACSIMILE TRANSMISSION OF THIS DOCUMENT, INCLUDING SIGNATURE WILL BE LEGALLY BINDING AND DEEMED LEGALLY EQUAL TO A HARD COPY ORIGINAL OF THIS AGREEMENT.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT EFFECTIVE THIS _____ DAY OF _____, _____.

SIGNED BY: _____
SIGNATURE/TITLE

SIGNED BY: _____
CHEMICAL TRUST TRUSTEE

WITNESS: _____

WITNESS: _____

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do NOT send to the IRS.

Department of the Treasury
Internal Revenue Service

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions on page 2 if your name has changed.)

Business name (Sole proprietors see instructions on page 2.)

Please check appropriate box: Individual/Sole proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.)

City, state, and ZIP code

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN below.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number	
+	OR
Employer identification number	
+	

List account number(s) here (optional)

Part II For Payees Exempt From Backup Withholding (See Part II instructions on page 2)

Part III Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see Part III instructions on page 2.)

Sign Here	Signature	Date
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Section references are to the Internal Revenue Code.

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct TIN to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-8 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. Giving your correct TIN and making the appropriate certifications will prevent certain payments from being subject to backup withholding.

What if a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What is Backup Withholding?—Persons making certain payments to you must withhold certain payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding and dividend accounts opened after 1983 only), or
- You do not certify your TIN. See the Part III instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information reporting. See the Part II instructions and the separate instructions for the Requestor of Form W-9.

How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply, get Form SS-5, Application for a Social Security Number Card (for individuals), from your local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and

SAMPLE

ACKNOWLEDGEMENT AGREEMENT FORM

YES, I/WE _____ JOHN DOE _____
CLIENT NAME

WOULD LIKE THE INFORMATION ON THE CHEMICAL TRUST GUARANTEED CONTRACT.

THANK YOU,

CLIENT SIGNATURE

09/15/00 _____
DATE

THIS FORM MUST BE MAILED WITH ANY NEW APPLICATIONS.

ALL FUNDS ARE IN U. S. DOLLARS.

ANY MARKABLE PAPER SUCH AS STOCKS, BONDS, T-BILLS OR BLOCKED FUNDS IN ANY FORM CAN BE CONTRACTED, CALL THE PHONE NUMBER IN YOUR SALES MANUAL FOR QUOTES.

This Contract entered this
00 DAY SEPTEMBER, 0000 by and between:

CHEMICAL TRUST

AND Client: JOHN DOE
APPLICATION FORM

JOHN Q. DOE 9/16/52 123-45-6789
FIRST MIDDLE LAST D.O.B. SS#

FIRST MIDDLE LAST D.O.B. SS#

1 PLAINVIEW ST. JUNO ALASKA 00000 555-555-5555
STREET ADDRESS: CITY STATE ZIP PHONE #

ACCOUNT TYPE: Individual Joint Trust
 Partnership Corporate Sole Proprietorship
 Other: _____

APR 15 % TERM 2 (TWO) YEAR(S)
 INTEREST MONTHLY ANNUALLY ACCUMULATE
SPECIAL REQUESTS: _____

TO THE BEST OF MY KNOWLEDGE, INTEREST EARNED SHALL BE:
 REGULAR TAX QUALIFIED OTHER: _____

TRANSFER INFORMATION
 REGULAR: Complete CHEMICAL TRUST Transfer Form.
 QUALIFIED or OTHER: Complete appropriate Custodian application forms.

Please indicate the custodian to be utilized. _____
I/We hereby certify that the information contained in this application is true and correct to the best of my knowledge.

\$99.00 RECEIVED FROM AGENT CLIENT ANNUAL MEMBERSHIP

SIGNATURE OF OWNER DATE

SIGNATURE OF CO-OWNER DATE

SPECIAL CONDITIONS: AGREEMENT IS VALID UPON RECEIPT OF FUNDS.

CHEMICAL TRUST COMPLIANCE VERIFICATION

CHEMICAL TRUST has prepared this non-technical statement of facts so that you will have a better understanding of your agreement to purchase. We wish to minimize any possibility of unauthorized statements or misunderstandings of the facts. Please take a moment to read the following statements. If you do not understand a statement please ask for an explanation. Please acknowledge the following:

I/we certify that a representative of CHEMICAL TRUST has fully explained and delivered documentation concerning this GUARANTEED CONTRACT. I have had the opportunity to fully read said documents. The representative has not made any promises above and beyond the information contained in said documentation. In addition to the information disclosed, my general understanding is as follows:

1. I understand I am being issued a Guaranteed Contract, with a twelve (12) month term OR LONGER.
2. I have been afforded the opportunity to ask questions of the TRUST concerning this Contract Agreement and have been furnished with such information with respect to the contract, activities and assurances as I have requested. I understand that the Contract is not registered as a security with any State or Federal agency. I further understand that the interest is FIXED and does not fluctuate with market conditions.
3. I understand that I am allowed to withdraw my principal prior to maturity date, although there will be a penalty. Under proven hardship cases there will be no penalty. (SEE PAGE FIVE FOR PENALTY OF EARLY WITHDRAWAL)
4. I understand that upon maturity if I have not notified CHEMICAL TRUST of my intent to surrender this Contract, it will automatically be renewed for a new twelve (12) month term.
5. I understand my interest shall be paid annually, unless otherwise stated.
6. I understand this Contract is backed by A SURETY PAYMENT BOND insuring the principal. **Interest can be insured by the Grantor at the rate of 6 to 10% depending on the amount, but payment has to be paid up front at the time of the Contract. I further understand that other than expressly written there are no other promises or warranties.
7. My purchase of this Contract is not a result of a general public offering but by membership only.
8. I also understand, that the decision to contract with CHEMICALTRUST rests entirely with me.
9. I authorize the TRUST and/or regulatory agencies to contact me in order to verify my signature, which I have affixed below.

Signature of Owner	Date	Signature or Co-Owner	
JOHN DOE		555-555-5555	
Printed Name/s	Phone Number		
1 PLAINVIEW STREET	JUNO	ALASKA	00000
Address	City	State	Zip

Nearest Relative: (Not living with you)

Name _____ Relationship _____ Phone() _____
Address _____ City _____ State _____ Zip _____

REFERENCES: (References not related knowing you at least 10 years)

Name _____ Phone:() _____

Address _____ City _____ State _____ Zip _____

Name _____ Phone:() _____

Address _____ City _____ State _____ Zip _____

Recommendation

Based upon my evaluation and/or personal knowledge of the above applicant's qualifications, integrity and sincere desire to become an Authorized CHEMICAL TRUST Agent, I herein below officially recommend and endorse the applicant's approval and appointment as such.

Signature/Endorsement TRUST TRUSTEE

Date

PAYMENT SCHEDULE FOR AGENTS

AGENT OR CLIENT:

NAME _____

ADDRESS _____

S.S. OR I.D. _____

PHONE _____ **FAX** _____

AMOUNT OF FUNDS: \$ _____

PAYMENT SCHEDULE:

_____ **MONTHLY** _____ **ANNUALLY** _____ **END OF CONTRACT**

AMOUNT DUE AGENT OR CLIENT _____

CONTRACT NO. _____

CONTRACT TERM _____

CONTRACT DATE _____

IF MORE THAN ONE AGENT PLEASE LIST EACH SEPARATELY WITH AMOUNTS, ON EVERY CONTRACT.

NON-CIRCUMVENTION & NON-COMPETE AGREEMENT

THIS AGREEMENT BETWEEN _____ AND CHEMICALTRUST AND ANY OTHER COMPANY WHETHER FORMED OR NOT, REPRESENTING THE CLIENT IS A RECIPROCAL AND MUTUAL CONTRACT BETWEEN THE PARTIES

1. THE PARTIES AGREE TO KEEP COMPLETELY CONFIDENTIAL THE NAMES OF BANKS, INSTITUTIONS, TRUSTS, INDIVIDUALS, ANY COLLATERAL PROVIDER, LENDERS, BORROWERS, BUYERS OR SELLERS, INTRODUCED BY ANY OF THE PARTIES OR THEIR ASSOCIATES. SUCH IDENTITY SHALL REMAIN CONFIDENTIAL DURING APPLICABLE TRANSACTION(S) AND FOR A PERIOD OF TEN (10) YEARS FOLLOWING INTRODUCTION. IN ALL MATTERS OF DISCLOSURE TO THIRD PARTIES, THE PARTY TO THIS AGREEMENT WHO IS THE INTRODUCING PARTY SHALL HAVE THE FINAL DECISION ON THE INFORMATION TO BE DISCLOSED AND THE METHODS AND PROCEDURES OF THE DISCLOSURE TO THE THIRD PARTIES.

2. EACH PARTY HERETO AGREES NOT TO CIRCUMVENT, AVOID, BYPASS OR OBIVATE THE OTHER PARTY, DIRECTLY OR INDIRECTLY, TO AVOID PAYMENT OF FEES OR COMMISSIONS IN ANY TRANSACTION WITH ANY BANK, LENDING INSTITUTION, TRUST, INDIVIDUAL, LENDER, BORROWER, BUYER, OR SELLER, WHO HAVE BEEN INTRODUCED BY EITHER PARTY TO THE OTHER, IN CONNECTION WITH ANY OTHER FINANCIAL TRANSACTION REQUESTED BY THE CUSTOMER OF A PARTY.

3. IF IN THE EVENT OF CIRCUMVENTION OR BREACH OF THIS AGREEMENT, EITHER DIRECTLY OR INDIRECTLY, THE INJURED PARTY SHALL BE ENTITLED TO DAMAGES EQUAL TO THE MAXIMUM FEE OR COMMISSION IT SHOULD HAVE REALIZED FROM ANY TRANSACTION CONDUCTED BY THE PARTY TO THE OTHER IN CONNECTION WITH ANY OTHER FINANCIAL TRANSACTION REQUESTED BY THE CUSTOMER OF A PARTY.

4. IF EITHER PARTY SHALL BRING AN ACTION TO RECOVER PAYMENT OR OTHER COMPENSATION PURSUANT TO THE TERMS OF THIS AGREEMENT THE PREVAILING PARTY SHALL BE ENTITLED TO A TWENTY PERCENT (20%) ATTORNEY'S FEE.

5. THIS UNDERSTANDING SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON. NO PARTICIPANT WILL ATTEMPT TO CONTACT, DEAL WITH IN ANY WAY, OR SOLICIT THE SOURCE OF CLIENT OF EACH OTHER AT ANY TIME, OR IN ANY MANNER, WITHOUT THE PRIOR WRITTEN CONSENT OF ANY OTHER PARTICIPANT HAVING INTRODUCED THE SAID SOURCE OR CLIENT. THIS AGREEMENT SHALL BE KEPT CONFIDENTIAL AND IS NOT TO BE REPRODUCED IN ANY MANNER WHATSOEVER EXCEPT ON A "NEED TO KNOW" BASIS. THIS AGREEMENT SHALL BIND THE PARTIES, AND THEIR HEIRS, SUCCESSORS, ASSIGNS, AND SHALL PROVIDE AN EXCLUSIVE AGENCY FOR PARTIES INTRODUCING BANKERS, TRUSTEE TO THIS AND/OR FUTURE TRANSACTIONS.

6. FURTHERMORE, IT IS HEREBY MUTUALLY AGREED THAT A FACSIMILE TRANSMISSION OF THIS DOCUMENT, INCLUDING SIGNATURE WILL BE LEGALLY BINDING AND DEEMED LEGALLY EQUAL TO A HARD COPY ORIGINAL OF THIS AGREEMENT.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT EFFECTIVE THIS _____ DAY OF _____.

SIGNED BY: _____ SIGNED BY: _____
SIGNATURE/TITLE CHEMICAL TRUST TRUSTEE

WITNESS: _____ WITNESS: _____

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do **NOT**
send to the IRS.

Department of the Treasury
Internal Revenue Service

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions on page 2 if your name has changed.)

Business name (Sole proprietors see instructions on page 2.)

Please check appropriate box: Individual/Sole proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

Part I Taxpayer Identification Number (TIN)

List account number(s) here (optional)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to Get a TIN below.

Social security number
| | | + | | | | | |

OR

Employer identification number
| | + | | | | | | |

Part II For Payees Exempt From Backup Withholding (See Part II Instructions on page 2)

Note: If the account is in more than one name, see chart on page 2 for guidelines on whose number to enter.

Part III Certification

Under penalties of perjury, I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Backup Withholding Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see Part III Instructions on page 2.)

Signature

Date

For more information, see the Internal Revenue Code.

How To Get a TIN.—A person who is required to file an information return with the IRS must get your correct TIN to report income from you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you make to an IRA. Use Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, to certify the TIN you are giving is correct (or you are waiting for a number to be issued). (2) to certify you are not subject to backup withholding, or (3) to claim an exemption from backup withholding if you are an exempt payee. Giving your correct and making the appropriate certifications prevent certain payments from being subject to backup withholding.

What If a Requester Gives you a Form other than a W-9 to Request your TIN, or Must the Requester's Form if it is Substantially Different from this Form W-9?—Persons

payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

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1. You do not furnish your TIN to the requester, or
2. The IRS tells the requester that you furnished an incorrect TIN, or
3. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
4. You do not certify to the requester

interest and dividend accounts opened after 1983 only), or

5. You do not certify your TIN. See the Part III instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information reporting. See the Part II instructions and the separate instructions for the Requester of Form W-9.

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If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup

CHEMICAL TRUST

PMB #105
130 WILDWOOD PKWY SUITE 108
BIRMINGHAM, AL 35209-7153

CERTIFICATE OF GRANTOR

CERTIFICATE # FG 990915JD

Issue Date: **SEPTEMBER 15, 0000**

Term: **2 YEAR (S)**

IN THE AMOUNT OF: **\$15,000.00**

PAYABLE AT MATURITY TO:

**JOHN DOE
1 PLAINVIEW STREET
JUNO, ALASKA 00000**

SIMPLE INTEREST AT THE FIXED **RATE OF 15 PERCENT** PER ANNUM.

INTEREST TO BE PAID AS INDICATED: FREQUENCY: **MATURITY**

* **AUTOMATICALLY RENEWABLE AT MATURITY AT
THE INTEREST RATE IN EFFECT AT THAT TIME**

ADDITIONAL PROVISIONS:

**THIS PRINCIPAL AMOUNT OF IS SECURED BY A SURETY PAYMENT
BOND ISSUED BY U.S.GUARANTEE CORPORATION.**

TRUSTEE FOR CHEMICAL TRUST

PAYMENT SURETY BOND

BOND NO: FG990915JD

EXPIRY DATE: SEPTEMBER 15, 0002

KNOW ALL MEN BY THESE PRESENTS, that we, **CHEMICAL TRUST as PRINCIPAL, and U.S.GUARANTEE CORP. as SURETY**, are held and firmly bound unto **JOHN DOE**, hereinafter called the **OBLIGEE**, in full and just sum of **\$15,000.00 Dollars**, lawful money of the United States, for payment of which sum and truly to be made, we bind ourselves, our heirs, administrators, executors, successors and assigns jointly and severally, firmly by these presents.

Whereas, PRINCIPAL, has entered into an Agreement entitled "Guaranteed Contract Agreement dated , with OBLIGEE, providing for: the investment of the capital of the OBLIGEE, for a **Two Year Term** with a repurchase option for a **(12) months**. The interest from the capital investment is to be repaid by the PRINCIPAL monthly or accumulated on behalf of the OBLIGEE and repaid in full at the end of the term of the Guaranteed Contract Agreement.

NOW, THEREFORE, if PRINCIPAL shall, within the due date specified in the Agreement, pay OBLIGEE the amount of: **\$15,000.00** as per the terms and conditions of the Agreement then this obligation shall not come into effect. If PRINCIPAL violates the terms of the Agreement, including without limitation, failure to pay any monies due under the Agreement, then OBLIGEE is entitled to as much of this **\$15,000.00** U. S. DOLLARS Payment Surety Bond as it is owed under the Agreement and SURETY agrees to promptly honor OBLIGEE 's claim.

Any alterations in the contract between the PRINCIPAL and OBLIGEE must be approved by the SURETY in order for this bond to be valid. This bond will expire on the one year anniversary date of its issuance by the SURETY. The PRINCIPAL has the option of automatic renewal for a further one year term upon payment of the premium due to the SURETY.

It is further understood and agreed between the parties hereto that if SURETY shall so elect, this bond may be canceled by SURETY giving ninety (90) day advance notice in writing to the OBLIGEE of its intention to terminate and this bond shall be deemed terminated at the expiration of said ninety (90) days, provided, however, that SURETY shall remain liable for any and all monies due to the OBLIGEE by this bond and the aforesaid Agreement between PRINCIPAL AND OBLIGEE, which may have been extended to PRINCIPAL to the day of such termination. The aggregate liability of the SURETY on this obligation shall not exceed the penal amount stated herein for any cause or reason whatsoever.

Signed, sealed and dated this _____ day of _____, 1999.

CHEMICAL TRUST

U.S. GUARANTEE CORPORATION

Title: TRUSTEE

Title: President

U.S.GUARANTEE CORPORATION, PH:602-425-0222, FAX: 602-425-0225
6991 EAST CAMELBACK ROAD, SUITE B101, SCOTTSDALE, AZ 85251