

DATE 14 OCT 1994

REF. WMT/BBS/TML/AM028

FINANCIAL GUARANTEE BOND

TO: A.M. MANDRELL INC.
14251 CHAMBERS RD
TUSTIN CALIF. 92680

Dear Sirs:

As security for a loan/credit which you will grant to A. M. MANDRELL INC. AS PRINCIPAL AND B & B STRATEGIES, INC, AS OBLIGEE WE, Taft, Marcs, & Lowery Inc, hereby irrevocably undertake to pay TWENTY FIVE MILLION DOLLARS ON FIRST DEMAND and the amount up to TWENTY FIVE MILLION DOLLARS U.S. Dollars (\$25,000,000.Dollars), including principal, interest and all other charges, upon receipt of your request for payment and your confirmation in writing or by duly encoded telex or cable that the amount claimed has become due to you and remains unpaid 60 DAYS PAST DUE.

The total amount of this indemnity will be reduced by any payment effected by us or by A. M. MANDRELL INC thereunder and the liquidation of the collateral given for the loan.

Our present undertaking is valid until OCT.29 1994 and expires automatically and in full if our written request for payment and your written confirmation are not in our possession on or before that date.


This engagement is governed by United States Law, Place of jurisdiction is the State of NEVADA ACCORDING TO STANDARD bonding and surety practiced in the USA.

PRINCIPAL...A. M. MANDRELL INC.



TRUSTEE SAM BIACHI

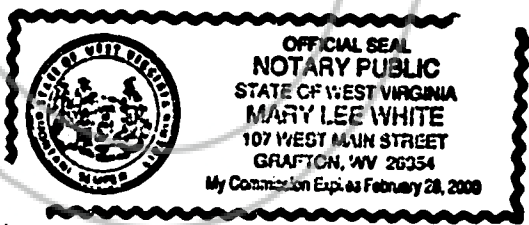
SURETY TML INC.



Mark Gorman, President
Taft, Marcs, & Lowery Inc.



NEWTON BENNETT VICE PRES.



Mary Lee White

FUMTY INC.

348693

BK 1094 PG 2772



INSURANCE BINDER

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM

Binder No.
AM028

NAME AND ADDRESS OF AGENCY

TAFT MARCS & LOWERY, INC.
3485 VISTA GRANDE BLVD.
CARSON CITY NV 89705

COMPANY

TML INC.

Effective **10/17/94**, 19

Expires 12:01 am Noon **10/17, 1995**

This binder is issued to extend coverage in the above named company per expiring policy **WMT/BBS/TML/AM028** (except as noted below)

NAME AND MAILING ADDRESS OF INSURED

A.M. MANDRELL, INC.
B & B STRATEGIES, INC.
14251 CHAMBERS ROAD
TUSTIN CA 92680

Description of Operation/Vehicles/Property

CREDIT ENHANCEMENT

Type and Location of Property	Coverage/Perils/Forms	Amt of Insurance	Ded.	Coinc. %
CREDIT ENHANCEMENT	CREDIT ENHANCEMENT	\$25,000,000. USD		

LIABILITY	Type of Insurance	Coverage/Forms	Limits of Liability		
			Each Occurrence	Aggregate	
<input type="checkbox"/> Scheduled Form <input type="checkbox"/> Comprehensive Form <input type="checkbox"/> Premises/Operations <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Contractual <input type="checkbox"/> Other (specify below) <input type="checkbox"/> Med. Pay. \$ <input type="checkbox"/> Personal Injury NIL	<input type="checkbox"/> Per Person <input type="checkbox"/> Per Accident NIL	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	Bodily Injury	\$	\$
			Property Damage	\$ NIL	\$ NIL
			Bodily Injury & Property Damage Combined	\$ NIL	\$ NIL
			Personal Injury		NIL

AUTOMOBILE	Type of Insurance	Coverage/Forms	Limits of Liability	
			Bodily Injury (Each Person)	\$
			Bodily Injury (Each Accident)	\$ NIL
			Property Damage	NIL
Bodily Injury & Property Damage Combined	\$ NIL			

WORKERS' COMPENSATION — Statutory Limits (specify states below) EMPLOYERS' LIABILITY — Limit \$ NIL

SPECIAL CONDITIONS/OTHER COVERAGES

CREDIT ENHANCEMENT MUST MEET ALL OF B&B STRATEGIES REQUIREMENTS AT ALL TIMES DURING THE TERM OF THE CREDIT THAT HAS BEEN ISSUED.

NAME AND ADDRESS OF

MORTGAGEE

LOSS PAYEE

ADD'L INSURED

A.M. MANDRELL, INC.
B & B STRATEGIES, INC.
14251 CHAMBERS ROAD
TUSTIN CA 92680

LOAN NUMBER

TAFT, MARCS & LOWERY, INC.
MARK GORMAN, PRESIDENT

Signature of Authorized Representative

Mark Gorman
Date **10/15/94**

348693

BK 1094 PG 2773

CONDITIONS

This Company binds the kind(s) of insurance stipulated on the reverse side. This insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

APPLICABLE IN NEVADA

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

REQUESTED BY

Taft, Marcus & Lowery, Inc.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

94 OCT 17 12:42

SUZANNE BEAUDREAU
RECORDER

\$9.00 PAID *OK* DEPUTY

348693

BK 1094 PG 2774