

12. NJAJ, LLC (Bobby Wagner) wanted to borrow approximately \$2,500,000 to build a produce warehouse in Nogales, Arizona.
13. Rio Rico, LLC was formed by Russel Riggs, Director of Risk Management for Slade Williams & Associates, to provide the construction loan financing to NJAJ, LLC to build the Nogales warehouse.
14. Oak Harbor Financial became the management company of Rio Rico, LLC. Shalynn raised equity capital from private investors to capitalize Rio Rico. Rio Rico made a loan to NJAJ, LLC.
15. Slade Construction was the general contractor for the construction of the Nogales warehouse.
16. On February 14, 2003 Mathon Fund I made a bridge loan of \$45,000 to Bobby Wagner.
17. On or about July 31, 2003 Mathon Fund I, not Rio Rico, loaned \$500,000 to NJAJ. Mike Bodell's Mathon Fund I investment was the source of the \$500,000. According to Mathon Fund I's records, Mike Bodell's \$500,000 was to be invested in Texen Oil stock not Rio Rico. Duane Slade was selling Texen Stock to investors for \$.50 per share with a guaranteed buy back at \$.60 per share in 45 days. (Exhibit C)
18. Mike Bodell's \$500,000 investment in Texen Oil stock was subsequently repurchased by Mathon Fund I. Mike Bodell was paid \$600,000 for his \$500,000 (1,000,000 shares @ \$.60 per share) with new investor's money. (Exhibit D)
19. The \$500,000 loan from Mathon Fund I to Rio Rico was used in part to repay the original \$45,000 (\$45,000 principal plus \$15,000 interest) loan made to Bobby Wagner by Mathon fund I. Other uses of the \$500,000 loan was a payment to Lawyer's Title (possibly related to acquisition of the land), to William Clapet (the architect) and to Slade Construction. (Exhibit A, sources and uses of funds spreadsheet).
20. Rio Rico raised \$200,000 from two new investors (\$100,000 from one investor in November 2003 and \$100,000 from the second investor in December 2003). Most of the \$200,000 went to Slade Construction, to subcontractors of Slade Construction and to Oak Harbor for origination fees.
21. On or about July 31, 2003, \$500,000 Accounts Receivable from Rio Rico was recorded on Mathon Fund I's books.
22. On or about December 31, 2003 the accounting records for Rio Rico were transferred from Mathon Management to an outside accountant.

23. Shalynn Loar left Slade Williams around January 15, 2004. I spoke with him on August 12, 2005 for updates on the Rio Rico project. Shalynn said that the project was foreclosed on by Rio Rico (his investors). Shalynn stated that Rio Rico was in the process of selling the building, they have received a couple of purchase offers and that a new appraisal is currently in process. I requested the contact information for the CPA firm which took over the accounting for the project after the books and records left Slade Williams in December 2003. I discussed with Shalynn the initial \$500,000 invested by Mathon Fund I in the Rio Rico project and how it was recorded on the Rio Rico's books. Shalynn said that the membership interests were recorded on Rio Rico books as a \$123,000 investment by Slade Williams and a \$377,000 investment by Brent Williams. (Exhibit B)
24. I received an email from Nate Riggs (Rio Rico) showing that Mathon Fund I was never recorded on Rio Rico's records as a member of the LLC. The membership interests and capital contributions were recorded under the names of Brent Williams for \$377,000 and Slade Williams for \$123,000.
25. Brent Williams never provided documentation to support the transfer of ownership or credit to himself for the \$377,000 investment in Rio Rico.
26. Russel Riggs was terminated from Slade Williams on or about October 31, 2003.
27. Russel Riggs subsequently sued Slade Williams & Associates. According to statements made to me by Brent Williams and my review of the settlement agreement dated April 16, 2004 between Slade Williams & Associates and Russel and Sharon Riggs, Russel Riggs received a \$250,000 interest in Rio Rico, LLC and 100% ownership in Oak Harbor Financial, LLC. (Exhibit I)
28. Brent Williams explained to me that he believed that by giving Russel Riggs an ownership interest in Rio Rico, it would "encourage" Russel Riggs to raise the remaining money needed to complete the project and ultimately profit from it. The journal entry recorded on the Mathon Fund I books reduced its receivable from Rio Rico by \$250,000. The \$250,000 was charged to legal fees expense. As a result of this journal entry the receivable from Rio Rico was reduced from \$500,000 to \$250,000. The entry was improper in that the cost of the Riggs settlement should have been charged to Slade Williams & Associates not the investors in Mathon Fund I. (Exhibit E)
29. During June 2004, Brent Williams told me he acquired Mathon Fund I's remaining \$250,000 position in Rio Rico. \$170,000 of the acquisition price was paid for through a \$170,000 wire transfer from Brent Williams IRA account to Slade Williams & Associates on April 29, 2004. (Exhibit F)
30. According to Brent Williams, \$70,000 was owed to Brent Williams' IRA's for its remaining Cedar Crest investment. The \$70,000 obligation was carried on Round Valley Capital's books. The \$70,000 owed to Brent Williams' IRA was to be used as

part of his IRA's acquisition of Rio Rico. As a consequence, Mathon Fund I investors were exchanging \$70,000 of its interest in Rio Rico for a \$70,000 interest in a failed project, Cedar Crest. The remaining \$10,000 of Mathon Fund I's interest in Rio Rico was achieved by charging \$5,000 each to Guy Williams and Duane Slade's draw accounts. (Exhibit E, G & H)

31. In summary, \$500,000 of Mathon Fund I investors' money was given to Rio Rico either as a loan or as a capital contribution. Rio Rico never repaid the \$500,000. According to the books and records of Mathon Fund I and Rio Rico, Mathon Fund I does not own an interest in Rio Rico nor does Rio Rico owe Mathon Fund I anything. The \$500,000 of Mathon Fund I money was converted by Brent Williams, Guy Williams and Duane Slade to a Rio Rico investment owned by Brent Williams IRA's.

Further affiant sayeth not.

TIMOTHY ABRAHAM

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2005.

Notary Public

My Commission Expires:

Exhibit A

Rio Rico, LLC
Sources and Uses of Funds

Bodell raise

500,000.00 7/23/03 Bodell Construction loan
 Q (60,000.00) 12 points to Oak Harbor
 (60,000.00) pay Mathon on bridge loan
 (4,560.00) Interest to Mathon
375,440.00

Σ Q = \$500,000

Q (244,518.00) wired to Lawyer's Title

130,922.00 For Slade Construction

Q (27,294.00) paid to William Clapet from Mathon

Q 103,628.00 to Slade Construction

60,000.00 Oak Harbor origination fees
 (7,065.16) expenses incurred through 7/25/03
 (2,000.00) balance to remain in Oak Harbor

50,934.84 net origination fees

\$60,000 to Shalynn's entity

11,460.34 22.50% Shalynn Loar

\$48,539.66 back to Oak Harbor Financial

11,460.34 22.50% WSF

2,546.74 5.00% Russel Riggs

25,467.42 50.00% Slade Williams

9,000.00 William Clapet - 6/3/03 from Oak Harbor

Mathon Fund I, LLC
General Journal Transaction
July 29, 2003

3:02 PM
05/23/05
Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
188		1st leg of Rio ... funds provide... funds provide... funds wired to... origination fee... interest on \$6... pay off bridge ...	Due from Rio Rico Clearing Account Clearing Account Clearing Account Clearing Account Interest Income Robert Wagner/Rio ...		500,000.00	27,294.00 103,628.00 244,518.00 60,000.00 4,560.00 60,000.00
TOTAL					500,000.00	500,000.00

*JE establishing the \$500,000 receivable on Mathon Fund I's books
and showing the disbursements of funds for the \$500,000
funded on the Rio Rico project.*

Exhibit B

Tim Abraham

From: Nate Riggs
Sent: Tuesday, December 16, 2003 4:50 PM
To: Tim Abraham
Subject: Rio Rico Interest Calculations

Here are the interest calculations for Rio Rico. They are through 12/31/03. Please let me know if any more info is needed. Thanks

Nathan Riggs
Oak Harbor Financial, LLC
Senior Loan Officer
1819 E Southern Ave., Suite D-10
Mesa, Arizona 85204
Ph: 480-558-0904
Fax: 480-854-6760
Email: nriggs@roundvalleycapital.com

Exhibit B

Rio Rico LLC

Members	06/30-12/31 # days 210	07/15-12/31 # days 168	07/30-12/31 # days 160	08/22-12/31 # days 125	10/13-12/31 # days 78	10/22-12/31 # days 68	11/24-12/31 # days 37	12/31/2003 Total Earned Interest	12/31/2003 Interest Paid	12/31/2003 checks paid	6/30/2003 Capital Account	7/16/2003 Capital Account	7/30/2003 Capital Account	8/22/2003 Capital Account	10/13/2003 Capital Account	10/22/2003 Capital Account	11/24/2003 Capital Account	08/30-12/31 Total Capital Account	Year 2003 End Total Capital Account	
1 Ford, Chvy & Stephanie			\$1,250.00					\$1,250.00	\$1,250.00	\$0.00	\$0.00	\$0.00	\$20,000.00	\$100,000.00	\$57,000.00	\$57,000.00	\$57,000.00	\$20,000.00	\$21,250.00	
2 Gill, Tom			\$5,375.00					\$5,375.00	\$5,375.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105,375.00
3 First Trust, FBO Roger D. Phipps IRA			\$301.00			\$1,638.75		\$2,746.55	\$2,746.55	\$0.00	\$9,220.53	\$123,000.00	\$123,000.00	\$5,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$74,587.68
4 Slide Williams & Associates			\$8,507.50					\$8,507.50	\$8,507.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$131,907.50
5 U.S. Capital LLC			\$26,075.00					\$26,075.00	\$26,075.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$403,075.83
6 Williams, Brent								\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7 Harold, Tom								\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8 Helms, Glen								\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9 First Trust, FBO Gary Jones IRA			\$1,625.00		\$1,625.00			\$1,625.00	\$1,625.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,625.00
10 First Trust, FBO Gary Jones IRA			\$260.00					\$260.00	\$260.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,260.00
11 First Trust, FBO Robert Riggs IRA			\$412.75					\$412.75	\$412.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,112.75
12 Slopek Revocable Living Trust								\$385.41	\$385.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,385.41
13 Slopek Revocable Living Trust								\$770.83	\$770.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,770.83
14 Niseet Family Trust								\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS			\$1,250.00	\$5,676.00	\$2,297.76	\$1,638.75	\$1,186.24	\$47,408.87	\$47,408.87	\$0.00	\$9,220.53	\$500,000.00	\$70,700.00	\$106,600.00	\$70,700.00	\$57,000.00	\$57,000.00	\$78,000.00	\$937,620.83	\$884,929.40

Interest Period Calculations for Rio Rico LLC

from date	to date	Total Capital	#Days	Interest
5/30/2003	12/31/2003	\$9,220.53	210	\$608.80
7/15/2003	12/31/2003	\$500,000.00	166	\$34,583.33
7/30/2003	12/31/2003	\$20,000.00	150	\$1,250.00
8/22/2003	12/31/2003	\$105,600.00	128	\$5,676.00
10/13/2003	12/31/2003	\$70,700.00	78	\$2,297.76
10/22/2003	12/31/2003	\$57,000.00	69	\$1,638.75
11/24/2003	12/31/2003	\$25,385.41	37	\$1,186.24
Totals		\$837,820.53		\$47,408.88

Note - All calculations are based on a 360-day year and twelve 30-day months

Lender: CIBC Bank Financial, LLC
By Manager: _____ Date: _____

Received from sister Rigg of Oak Harbor, Vermont.
Note was formerly reported by Sherry and
and Russell Rigg.

STOCK SALE AND REPAYMENT AGREEMENT

STOCK SALE AND REPAYMENT AGREEMENT (this "Agreement"), dated as of July 16, 2003, between Mike Sims and Tatiana Golovina ("Borrower/Seller"), and MJB Ltd a Utah Limited Partnership (the "Lender/Purchaser/MJB").

WHEREAS, the Lender/Purchaser has agreed to purchase 1,000,000 shares of capital stock of Texen Oil and Gas, a Texas Corporation (the "Shares") for the purchase price of Five Hundred Thousand Dollars (\$500,000.00) (the "Purchase Price").

WHEREAS, Borrower/Seller agrees to repurchase the Shares from MJB Ltd. for Sixty Cents per share (\$.60)/One Hundred Twenty Thousand Dollars (\$600,000.00) (the "Default Repurchase Price"). MJB Ltd. may at any time after August 31, 2003 and prior to October 2, 2003, **at the sole option** of MJB Ltd. demand payment of the Default Repurchase Price. The option for MJB Ltd. to receive the Default Repurchase Price will expire on October 2, 2003 if not exercised in writing by MJB Ltd. on or before said date.

NOW, THEREFORE, in consideration of the premises, the mutual agreements set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Purchase Price.

The undersigned hereby agrees to purchase from Tatiana Golovina (the "Borrower/Seller") 1,000,000 shares of Texen Oil and Gas, Inc. for a total of \$500,000.00 (the "Purchase Price"). The Purchase Price will be paid to the Lender/Purchaser/MJB Ltd. in cash or by bank draft or cashier cheque concurrently with the execution of this Agreement. The Borrower/Seller will deliver a certificate(s) representing the shares duly endorsed for transfer in street form, within 20 days of this Agreement.

2. Sale Restriction on Stock.

Except as set forth above, the undersigned agrees that the undersigned will not sell or otherwise dispose of the Shares for a period of 120 days from the date hereof.

3. Cooperation.

Upon execution of this Agreement and at any time or from time to time thereafter, Borrower and MJB Ltd. agrees to cooperate in carrying out the terms of this Agreement, including the execution and delivery of such further instruments and documents as may be reasonably requested in order to more effectively carry out the terms and conditions of this Agreement.

4. Miscellaneous.

4.1 Entire Agreement. This Agreement and all written agreements related to the Note contain the entire understanding between the parties hereto with respect to the subject matter hereof and thereof and supersedes any prior understandings, agreements or representations, written or oral, relating to the subject matter hereof and thereof.

4.2 Counterparts. This Agreement may be executed in separate counterparts, each of which will be an original and all of which taken together shall constitute one and the same agreement, and any party hereto may execute this Agreement by signing any such counterpart.

4.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law or rule, the validity, legality and enforceability of the other provision of this Agreement will not be affected or impaired thereby.

4.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

4.5 Modification, Amendment, Waiver or Termination. No provision of this Agreement may be modified, amended, waived or terminated except by an instrument in writing signed by the parties to this Agreement. No course of dealing between the parties will modify, amend, waive or terminate any provision of this Agreement or any rights or obligations of any party under or by reason of this Agreement. No delay on the part of the Lender in the exercise of any right or remedy under this Agreement shall operate as a waiver thereof, and no single or partial exercise by the Lender of any right or remedy under this Agreement shall preclude other or further exercise thereof or the exercise of any other right or remedy. No waiver by the Lender of any right or remedy under this Agreement shall be deemed to be or construed as a further or continuing waiver of such right or remedy or as a waiver of any other right or remedy.

4.6 Notices. All notices, consents, requests, instructions, approvals or other communications between the parties shall be in writing and delivered by personal delivery, overnight courier, mail, electronic facsimile or e-mail addressed to the receiving party at the address set forth herein. All such communications shall be effective when received. Any party may change the address set forth above by notice to each other party given as provided herein.

4.7 Headings. The headings and any table of contents contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

4.8 Governing Law. All matters relating to the interpretation, construction, validity and enforcement of this Agreement shall be governed by the internal laws of the State of Arizona and must be file in the State of Arizona without giving effect to any choice of law provisions thereof.

4.9 **Third-Party Benefit.** Nothing in this Agreement, express or implied, is intended to confer upon any other person any rights, remedies, obligations or liabilities of any nature whatsoever.

4.10 **Remedies Cumulative.** All rights and remedies of the Lender under this Agreement are cumulative and are in addition to, but not in limitation of, any rights or remedies which it may have under applicable law.

IN WITNESS WHEREOF, the parties hereto have executed this Stock Sale and Repurchase Agreement as of the date set forth in the first paragraph.

LENDER/PURCHASER:

MJB Ltd. a Utah limited Partnership

By: _____
Signature of Purchaser

Name of Purchaser (Please Print)

Address of Purchaser:

BORROWER/SELLER:

AGREED AND ACCEPTED
this ____ day of July, 2003.

Mike Sims

Tatiana Golivina

Exhibit C

Mathon Fund I, LLC
General Ledger
As of July 16, 2003

Type	Date	Num	Name	Memo	Split	Original Amount	Paid Amount	Balance
Mesa Bank-Operating 7143								
Deposit	7/16/2003		Mesa Bank	balance from 4 Guys Investments			25,000.00	1,749,000.00
Deposit	7/16/2003		Mesa Bank	MJB, Inc.		-25,000.00	500,000.00	1,774,000.00
Deposit	7/16/2003		Mesa Bank	\$130K for \$151K due 10/21/03 pipe 714		500,000.00	1,300,000.00	2,274,000.00
						130,000.00	655,000.00	2,404,000.00
Total Mesa Bank-Operating 7143							655,000.00	2,404,000.00
TOTAL							655,000.00	2,404,000.00

Receipt of \$500,000 from Mike Bode()

Mathon Fund I, LLC
General Ledger
As of October 3, 2003

Exhibit D

Type	Date	Num	Name	Memo	Original Amount	Paid Amount	Balance
NTB operating 8380							
Deposit	9/30/2003		Northern Trust	from Duane Slade-Chipper Srax issue	140,000.00	140,000.00	166,147.69
Check	9/30/2003	10510	Cody Pearce	bridge loan payoff - refi into 2 new loans	-54,308.00	-54,308.00	306,147.69
Check	9/30/2003	10511	George Dover	bridge loan payoff - refi into \$112K for \$137.4	-95,692.00	-95,692.00	251,839.69
Deposit	9/30/2003		Northern Trust	Glauser	700,000.00	700,000.00	156,147.69
Deposit	9/30/2003		Northern Trust	Triple V Investments LLC - Tom Fairbanks	800,000.00	800,000.00	856,147.69
Check	10/1/2003	0	Aspen Grove Capital...	Zions Bank, Aspen Grove Capital Group	-200,000.00	-200,000.00	1,656,147.69
Check	10/1/2003		Anil Deshpande	JPM Chase NYC, Anil Deshpande	-120,000.00	-120,000.00	1,456,147.69
Check	10/1/2003		Bindrup Billing	US Bank, Bindrup	-195,000.00	-195,000.00	1,336,147.69
Check	10/1/2003		Northern Trust	transfer to Mathon Mngmnt #8401	-25,000.00	-25,000.00	1,116,147.69
Check	10/1/2003	10512	Mathon Management...	to Mathon Mngmnt #8401	-30,000.00	-30,000.00	1,086,147.69
Check	10/1/2003	10513	Round Valley Capital	to RVC #8428	-30,000.00	-30,000.00	1,056,147.69
Check	10/2/2003	10514	Richard Baker	VOID:	0.00	0.00	1,056,147.69
Deposit	10/2/2003		Northern Trust	Mike Hudson pipe #999, rep: Robby Riggs	30,000.00	30,000.00	1,086,147.69
Deposit	10/2/2003		Northern Trust	Mala Funding - Pipe 1013	300,000.00	300,000.00	1,386,147.69
Check	10/3/2003		MJB, inc.	stock repurchase - MJB	-600,000.00	-600,000.00	786,147.69
Deposit	10/3/2003		Northern Trust	Keith Merrill-Pipe #1005	401,000.00	401,000.00	1,187,147.69
Deposit	10/3/2003		Northern Trust	Jedi LLC - Pipe #998	250,000.00	250,000.00	1,437,147.69
Deposit	10/3/2003		Northern Trust	Steven E. Wellington-Pipe #10030	150,000.00	150,000.00	1,587,147.69
Deposit	10/3/2003		Northern Trust	Jim Glauser - Pipe #1016	100,000.00	100,000.00	1,687,147.69
Total NTB operating 8380					1,521,000.00	1,521,000.00	1,687,147.69
TOTAL					1,521,000.00	1,521,000.00	1,687,147.69

*Tom Fairbanks and/or Mala Funding may
was used to repurchase Texon Oil
stock from Mike Bodeff for \$600,000.*

Exhibit E

Mathon Fund I, LLC
General Ledger
As of May 23, 2005

3:02 PM
05/23/05
Accrual Basis

Type	Date	Num	Name	Memo	Split	Amount	Balance
Due from Rio Rico							
General Journal	7/29/2003	188				500,000.00	500,000.00
General Journal	12/31/2003	502				-250,000.00	250,000.00
General Journal	6/30/2004	588				-250,000.00	0.00
						0.00	0.00
Total Due from Rio Rico						0.00	0.00
TOTAL						0.00	0.00

1st leg of Rio Rico funding settlement with Russel Riggs reconcile Brent's IRA per his instructions

-SPLIT-
Legal Fees
Due to/from Slade Williams

JE showing \$500K receivable from Rio Rico, \$250K interest (12/03) in Rio Rico charged to legal fees expense and \$250K position in Rio Rico receivable taken by Brent Williams (6/04)

Exhibit F

10:58 AM
08/12/05
Cash Basis

Slade Williams & Associates General Ledger As of April 29, 2004

Type	Date	Num	Name	Memo	Original Amount	Paid Amount	Balance
NTB Op 8364							
Deposit	4/29/2004		Slade Williams & Ass...	wire in from Compass Bank to cover expenses	300,000.00	300,000.00	-21,734.17
Transfer	4/29/2004			Funds Transfer	-46,900.00	-46,900.00	278,265.83
Liability Check	4/29/2004	11505	Morgan Stanley		-944.25	-944.25	231,365.83
Bill Pmt -Check	4/29/2004	11506	Round Valley Capital		-10,000.00	-10,000.00	230,421.58
Bill Pmt -Check	4/29/2004	11507	Steve Kogelmeier		-240.00	-240.00	220,421.58
Deposit	4/29/2004		Slade Williams & Ass...	Sallie Shanahan (Terry)-Brent's IRA \$	170,000.00	170,000.00	390,181.58
Check	4/29/2004		Mathon Fund I	transfer	-200,000.00	-200,000.00	190,181.58
Total NTB Op 8364					211,915.75	211,915.75	190,181.58
TOTAL					211,915.75	211,915.75	190,181.58

EXHIBIT 5

Slade Williams & Associates Journal June 2004

3:32 PM
08/10/05

Trans #	Type	Date	Num	Name	Memo	Account	Debit	Credit
4627	General Journal	6/30/2004	144		rev reversal see Aspen Grove trans rev reversal see Aspen Grove trans	Mathon Fund I Due to/from Mathon Fund - Dela	200,000.00	200,000.00
4746	General Journal	6/30/2004	151		Furniture Depreciation June 04 Furniture Depreciation June 04	Depreciation Expense Acc Dep - Furn & Equipment	2,183.33	2,183.33
4751	General Journal	6/30/2004	157		Depreciation off equip June 04 Depreciation off equip June 04	Depreciation Expense Acc. Dep. - Office Equipment	208.62	208.62
4757	General Journal	6/30/2004	163		Depreciation Computer equip Jun 04 Depreciation Computer equip Jun 04	Depreciation Expense Acc. Dep. - Comp. Equipment	1,019.00	1,019.00
5141	General Journal	6/30/2004	176		reconcile Brent's IRA per his instructions reconcile Brent's IRA per his instructions reconcile Brent's IRA per his instructions reconcile Brent's IRA per his instructions	Clearing Account Due to/from RVC Due to/from Mathon Fund I G. Williams Draws D. Slade Draws	170,000.00 70,000.00 5,000.00 5,000.00 250,000.00	250,000.00
TOTAL							453,410.95	453,410.95

\$170,000 wired into JW (loan to Jerry Wheeler's wife)
 70,000 "Cable West" liability balance owed to Brent's IRA
 10,000 settled against Brent's old RVP draws accounts
 250,000 Brent's purchase of additional \$250,000 of MFJ! reasonable from Rev Rul

Round Valley Capital
 General Ledger
 As of April 5, 2005

1 PM
 18/05
 sh Basis

Type	Date	Num	Memo	Split	Original Amount	Paid Amount	Balance
Cedar Crest Liabilities							
Central Bank							
General Journal	12/31/2003	146	Brent Williams purchase 1/4 pt		-250,000.00	-250,000.00	320,000.00
General Journal	6/30/2004	159	reconcile Brent's IRA per his instructions	Due to/from Mathon Mgmt Due to/from Slade Williams	-70,000.00	-70,000.00	70,000.00
Total Central Bank					-320,000.00	-320,000.00	0.00
Total Cedar Crest Liabilities					-320,000.00	-320,000.00	0.00
TAL					-320,000.00	-320,000.00	0.00

*37 470,000 remaining send to Grant Williams' IRA + 470,000 total
 into Alex's Williams IRA used to purchase Mathon F&I
 470,000 available in Rio Rico.*

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (this "**Agreement**") is entered into this 16th day of April, 2004, by and among Slade Williams and Associates, an Arizona limited liability company ("hereinafter referred to as "**SWA**"), and Russel Owen Riggs and Sharon Riggs, as husband and wife, ("**Riggs**") (hereinafter "the Parties").

RECITALS

- A. SWA and Riggs have previously entered into a Severance Agreement dated December 1, 2003. (A Copy is attached hereto as Exhibit A to this Agreement.)
- B. A dispute has arisen over the performance of certain rights, obligations and duties contained in the herein referenced Severance Agreement. The dispute is evidenced by the filing of a lawsuit in the Maricopa County Superior Court, civil action number CV 2004-090556.
- C. The Parties have mutually agreed to modify the herein referenced Severance Agreement and upon execution of this Agreement, dismiss the subject lawsuit with prejudice.

NOW THEREFORE in consideration of a Settlement Payment as set forth below and the conditions and covenants contained herein, the Parties have agreed to the following:

AGREEMENT

1. Upon execution of this Agreement and payment of the Settlement Payment the Parties do hereby agree that the Parties respectively mutually fully release one another from performance of each and every duty and obligation contained in paragraphs 2 (a)(i), (ii), (iii), (b), (d), (e), (g) of the Severance Agreement.
2. The Parties reaffirm all duties and obligations of the Severance Agreement not specifically released above.
3. This Agreement is entered into solely as a compromised settlement for the purpose of settling claims or causes of action related in any way involving the above referenced civil action, it is not intended to be, nor shall be construed as, an admission of fact, fault, liability or wrongdoing by any party hereto and each party expressly denies any fault, liability or wrongdoing. The parties to this Agreement agree by execution of the same that this constitutes a settlement of all past and current disputes and potential future suits between the Parties or between any of them from the beginning of the world through

the date hereof with the exception of the enforcement of this Agreement and the Severance Agreement as modified by the Agreement.

4. The parties agree that upon payment by SWA to Riggs of Two Hundred Fifty Thousand Dollars (\$250,000.00), (“the **Settlement Payment**”) the Settlement Payment to be evidenced by the execution, concurrent with this Agreement, of proper documentation fully assigning an unencumbered \$250,000.00 membership interest in Rio Rico LLC, an Arizona limited liability company from Duane H. Slade individually to Russel O. Riggs and Sharon C. Riggs husband and wife, (a copy of which is attached hereto as Exhibit B to this Agreement), the Parties shall mutually release one another as follows:

5. Riggs shall be deemed to have released, remised and forever discharged SWA, and each of their respective officers, directors, shareholders, managers, members, affiliates, employees and agents (collectively, the “SWA Parties”) from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556 however, that Riggs shall retain the right to assert any and all claims arising out of any of SWA’s failure to comply with any of the provisions of this Agreement and Severance Agreement as modified by this Agreement.

6. Upon payment by SWA of the Settlement Payment SWA shall be deemed to have released, remised and forever discharged Riggs from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556. Provided however, that the SWA Parties shall retain the right to assert any and all claims arising out of Riggs’s failure to comply with any provision of this Agreement or the herein referenced Severance Agreement.

7. The Parties hereto each represent and warrant to the other Parties that they have each been represented by counsel of their choice in connection with the review, negotiation, approval and execution of this Agreement; that each has shown this Agreement to their respective attorneys, who has explained it and advised them that it is a legally binding contract; that each has read and understood this Agreement; that each has entered into the same freely and voluntarily without coercion, duress or undue influence of any kind or nature; and that each intends to be bound by each provision of this Agreement.

8. The Parties shall be responsible for the payment of their own attorneys’ fees and all other costs and expenses incurred in connection with this Agreement and all matters referred to herein.

9. The Parties declare and represent that no promise, inducement or agreement that is not specifically provided in this Agreement has been made by any party to this Agreement; that this Agreement (with exhibits) contains the entire agreement

among the Parties with respect to the settlement and release of claims; and that the terms of this Agreement may not be modified except in writing signed by all the parties.

10. This Agreement shall be binding upon and inure to the benefit of Riggs and the SWA Parties.

11. This Agreement may be executed in one or more counterparts and signed by facsimile signatures, and each counterpart shall be deemed an original for all purposes.

12. If any provision of this Agreement, or portion thereof, shall be determined to be invalid or unenforceable for any reason, the provision or portion thereof shall be severed from this Agreement and the remaining provisions of this Agreement and portions thereof shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

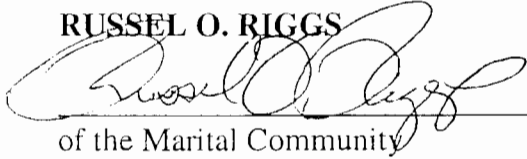
13. Any and all fees and costs (including, without limitation, reasonable attorneys' fees and costs) incurred by the prevailing party in enforcing or defending its rights under this Agreement shall be paid by the non-prevailing party.

14. This Agreement shall be construed, interpreted and applied in accordance with the substantive laws of the State of Arizona, without reference to its choice of law rules.

[signature pages follow]

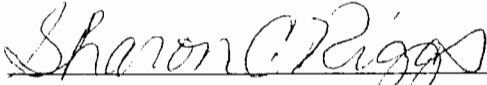
IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Mutual Release as of the date first written above.

RUSSEL O. RIGGS



Russel O. Riggs, Individually and on behalf
of the Marital Community

SHARON RIGGS



Sharon Riggs, Individually and on behalf of the Marital Community

**SLADE WILLIAMS & ASSOCIATES, LLC an Arizona
limited liability company**

By: _____


Its: _____
Munger

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (this "**Agreement**") is entered into this 7th day of April, 2004, by and among Slade Williams and Associates, an Arizona limited liability company ("hereinafter referred to as "**SWA**"), and Russel Owen Riggs, ("**Riggs**") (hereinafter "the Parties").

RECITALS

- A. SWA and Riggs have previously entered into a Severence Agreement dated December 1, 2003. (A Copy is attached hereto as Exhibit A to this Agreement.)
- B. A dispute has arisen over the performance of certain rights, obligations and duties contained in the herein referenced Severence Agreement. The dispute is evidenced by the filing of a lawsuit in the Maricopa County Superior Court, civil action number CV 2004-090556.
- C. The Parties have mutually agreed to modify the herein referenced Severence Agreement and upon execution of this Agreement, dismiss the subject lawsuit.

NOW THEREFORE in consideration of a Settlement Payment as set forth below and the conditions and covenants contained herein, the Parties have agreed to the following:

AGREEMENT

- 1. Upon execution of this Agreement and payment of the Settlement Payment the Parties do hereby agree that the Parties respectively mutually fully release one another from performance of each and every duty and obligation contained in paragraphs 2 (a)(i), (ii), (iii), (b), (d), (e), (g),
- 2. The Parties reaffirm all duties and obligations not specifically released above.
- 3. This Agreement is entered into solely as a compromised settlement for the purpose of settling claims or causes of action related in any way involving the above referenced civil action, it is not intended to be, nor shall be construed as, an admission of fact, fault, liability or wrongdoing by any party hereto and each party expressly denies any fault, liability or wrongdoing. The parties to this Agreement agree by execution of the same that this constitutes a settlement of all past and current disputes and potential future suits between the Parties or between any of them from the beginning of the world through the date hereof with the exception of the enforcement of this Agreement and the Severence Agreement.

4. The parties agree that upon payment by SWA to Riggs of Two Hundred Fifty Thousand Dollars (\$250,000.00), (“the **Settlement Payment**”) The Settlement Payment to be evidenced by the execution concurrent with this Agreement, of proper documentation fully assigning an unencumbered \$250,000.00 membership interest in Rio Rico LLC, an Arizona limited liability company from Duane H. Slade individually to Russel O. Riggs and Sharon C. Riggs husband and wife, (a copy of which is attached hereto as Exhibit B to this Agreement), the Parties shall mutually release one another as follows:

5. Riggs shall be deemed to have released, remised and forever discharged SWA, and each of their respective officers, directors, shareholders, employees and agents (collectively, the “SWA”) from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556 however, that Riggs shall retain the right to assert any and all claims arising out of any of SWA's failure to comply with any of the provisions of this Agreement and Severence Agreement. .

6. Upon payment by SWA of the Settlement Payment SWA shall be deemed to have released, remised and forever discharged Riggs from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV #ivil Action. Provided however, that SWA shall retain the right to assert any and all claims arising out of Riggs’s failure to comply with any provision of this Agreement or the herein referenced Severence Agreement.

7. The parties hereto each represent and warrant to the other parties that they have each been represented by counsel of their choice in connection with the review, negotiation, approval and execution of this Agreement; that each has shown this Agreement to their respective attorneys, who has explained it and advised them that it is a legally binding contract; that each has read and understood this Agreement; that each has entered into the same freely and voluntarily without coercion, duress or undue influence of any kind or nature; and that each intends to be bound by each provision of this Agreement.

8. The parties shall be responsible for the payment of their own attorneys’ fees and all other costs and expenses incurred in connection with this Agreement and all matters referred to herein.

9. The Parties declare and represent that no promise, inducement or agreement that is not specifically provided in this Agreement has been made by any party to this Agreement; that this Agreement (with exhibits) contains the entire agreement among the Parties with respect to the settlement and release of claims; and that the terms of this Agreement may not be modified except in writing signed by all the parties.

10. This Agreement shall be binding upon and inure to the benefit of Riggs and the SWA Parties.

11. This Agreement may be executed in one or more counterparts and signed by facsimile signatures, and each counterpart shall be deemed an original for all purposes.

12. If any provision of this Agreement, or portion thereof, shall be determined to be invalid or unenforceable for any reason, the provision or portion thereof shall be severed from this Agreement and the remaining provisions of this Agreement and portions thereof shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

13. Any and all fees and costs (including, without limitation, reasonable attorneys' fees and costs) incurred by the prevailing party in enforcing or defending its rights under this Agreement shall be paid by the non-prevailing party.

14. This Agreement shall be construed, interpreted and applied in accordance with the substantive laws of the State of Arizona, without reference to its choice of law rules.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Mutual Release as of the date first written above.

RUSSEL O. RIGGS

Russel O. Riggs, Individually

SLADE WILLIAMS & ASSOCIATES, LLC an Arizona limited liability company

By: _____

Its: _____

Acknowledged and Agreed:

Duane H. Slade

Brent Williams

ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC

THIS ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC, an Arizona limited liability company ("Assignment") is made and entered into as of the 7th day of April 2004, by and between Duane H. Slade, individually ("Assignor") and Russel O Riggs and Sharon C. Riggs, husband and wife, ("Assignee").

WITNESSETH:

WHEREAS, Assignee and Assignor, together with Slade Williams and Associates, LLC an Arizona limited liability company, (SWA) entered into a certain Settlement Agreement and Mutal Release dated April 7, 2004 (the "Settlement Agreement") whereby Assignor has agreed to assign an unencumbered Two Hundred Fifty Thousand Dollar (\$250,000.00) Membership Interest in Rio Rico, LLC to Assignee.

WHEREAS, Assignor desires to assign to Assignee all of its right, title and interest in and to Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC, and Assignee desires to accept such assignment as a Settlement Payment as described in the herein referenced Settlement Agreement.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. As full tender of the Settlement Payment described in paragraph 4 of the herein referenced Settlement Agreement, Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, the assignment of all of Assignor's right, title, interest in and to, Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC.
2. Assignor represents and warrants to the Assignee that Assignor: (a) has full power and authority to assign, transfer and convey the Memberdhip Interest; (b) is the sole holder of the Rights and (c) that the Rights have not been previously assigned, sold, transferred, conveyed or encumbered to or in favor of any other party.,
3. Assignee may enforce, but has no obligation to enforce, this Assignment.
4. This Assignment is irrevocable and shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Assignmnet of Membership Interest in Rio Rico, LLC an Arizona limited liability company as of the date first above written.

(Signature Page Follows)

ASSIGNOR:

Duane H. Slade, individually

ASSIGNEE:

Russel O. Riggs

Sharon C. Riggs

Acknowledged and Agreed:

Slade Williams and Associates, LLC

By: _____

Its: _____

Oak Harbor Financial, LLC
3808 E. Farmdale Ave.
Mesa, Arizona 85206

(480) 329-3626

April 7, 2004

Duane H. Slade
Brent Williams
6820 East Brown Road
Mesa, Arizona 85207

Re: Membership Interests and Interest Calculations for in Rio Rico, LLC

Dear Duane and Brent:

In order to clarify the interests of all regarding the above referenced investment please accept the following information along with supporting documentation.

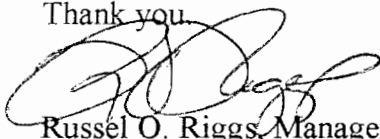
1. Certificate of Membership in the amount of \$70,000.00 FBO - Brent Williams, IRA. The date of the contribution is December 23, 2003
2. **Original** Certificate of Membership in the amount of \$377,000.00 – Duane Slade, Individually. The date of the contribution is July 15, 2003
3. **Amended** Certificate of Membership in the amount of \$127,000.00 – Duane Slade, Individually. Amended April 7, 2004.
4. **For your records:** a copy of a Certificate of Membership in the amount of \$250,000.00 – Russel O Riggs and Sharon C. Riggs, husband and wife, issued April 7, 2004.

Please be further advised that interest calculations through April 6, 2004 have been credited as follows:

Duane H. Slade -	\$ 41,156.14
FBO – Brent Williams, IRA	\$ 3,033.33

If you have any questions please do not hesitate to contact the undersigned directly.

Thank you.



Russel O. Riggs, Manager Oak Harbor Financial

Rio Rico, L.L.C.

CERTIFICATE OF MEMBERSHIP (Amended)

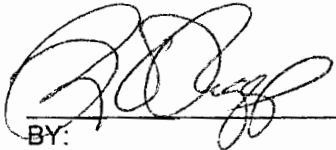
Pursuant to the Operating Agreement of the **Rio Rico L.L.C.** (the "Company"), this is to certify that the below-named individual(s) is a Member of the Company to the extent identified herein:

<u>Name</u>	<u>Date of Entry</u>	<u>Capital Contribution</u>	<u>% of Interest in LLC</u>
FBO - Brent Williams, IRA	12/23/03	\$70,000.00	2.74%

The Manager of the Company hereby executes this Certificate of Membership this 23rd day of December 2003.

**Rio Rico, L.L.C.,
an Arizona Limited Liability Company**

BY: Oak Harbor Financial LLC
As Administrative Member


BY: _____
ITS: Manager

Rio Rico, L.L.C.

CERTIFICATE OF MEMBERSHIP (Amended April 7, 2004)

Pursuant to the Operating Agreement of the **Rio Rico L.L.C.** (the "Company"), this is to certify that the below-named individual(s) is a Member of the Company to the extent identified herein:

<u>Name</u>	<u>Date of Entry</u>	<u>Capital Contribution</u>	<u>% of Interest in LLC</u>
Duane H. Slade, individually	04/07/04	\$127,000.00	4.98%

The Manager of the Company hereby executes this Certificate of Membership this 7th day of April 2004.

**Rio Rico, L.L.C.,
an Arizona Limited Liability Company**

BY: Oak Harbor Financial LLC
As Administrative Member



BY:
ITS: Manager

Rio Rico, L.L.C.

CERTIFICATE OF MEMBERSHIP

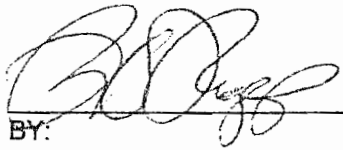
Pursuant to the Operating Agreement of the **Rio Rico L.L.C.** (the "Company"), this is to certify that the below-named individual(s) is a Member of the Company to the extent identified herein:

<u>Name</u>	<u>Date of Entry</u>	<u>Capital Contribution</u>	<u>% of Interest in LLC</u>
Russel O. Riggs and Sharon C. Riggs Husband and Wife JTWROS	04/07/04	\$250,000.00	9.80%

The Manager of the Company hereby executes this Certificate of Membership this 7th day of April 2004.

**Rio Rico, L.L.C.,
an Arizona Limited Liability Company**

BY: Oak Harbor Financial LLC
As Administrative Member


BY: _____
ITS: Manager

Rio Rico, L.L.C.

CERTIFICATE OF MEMBERSHIP

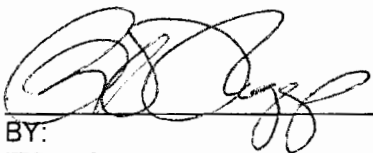
Pursuant to the Operating Agreement of the **Rio Rico L.L.C.** (the "Company"), this is to certify that the below-named individual(s) is a Member of the Company to the extent identified herein:

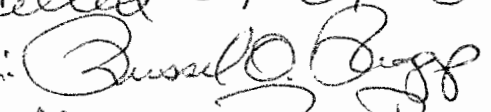
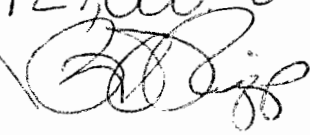
<u>Name</u>	<u>Date of Entry</u>	<u>Capital Contribution</u>	<u>% of Interest in LLC</u>
Duane H. Slade, individually	07/15/04	\$377,000.00	14.78%

The Manager of the Company hereby executes this Certificate of Membership this 15th day of July 2003.

**Rio Rico, L.L.C.,
an Arizona Limited Liability Company**

BY: Oak Harbor Financial LLC
As Administrative Member


BY: _____
ITS: Manager

Cancelled 04-07-04
By: 
Manager Rio Rico, LLC
Amended Certificate
Issued 04-07-04
\$127,000.00


SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (this "**Agreement**") is entered into this ____ day of April, 2004, by and among Slade Williams and Associates, an Arizona limited liability company ("hereinafter referred to as "**SWA**"), and Russel Owen Riggs and Sharon Riggs, as husband and wife, ("**Riggs**") (hereinafter "the Parties").

RECITALS

- A. SWA and Riggs have previously entered into a Severance Agreement dated December 1, 2003. (A Copy is attached hereto as Exhibit A to this Agreement.)
- B. A dispute has arisen over the performance of certain rights, obligations and duties contained in the herein referenced Severance Agreement. The dispute is evidenced by the filing of a lawsuit in the Maricopa County Superior Court, civil action number CV 2004-090556.
- C. The Parties have mutually agreed to modify the herein referenced Severance Agreement and upon execution of this Agreement, dismiss the subject lawsuit with prejudice.

NOW THEREFORE in consideration of a Settlement Payment as set forth below and the conditions and covenants contained herein, the Parties have agreed to the following:

AGREEMENT

1. Upon execution of this Agreement and payment of the Settlement Payment the Parties do hereby agree that the Parties respectively mutually fully release one another from performance of each and every duty and obligation contained in paragraphs 2 (a)(i), (ii), (iii), (b), (d), (e), (g) of the Severance Agreement.
2. The Parties reaffirm all duties and obligations of the Severance Agreement not specifically released above.
3. This Agreement is entered into solely as a compromised settlement for the purpose of settling claims or causes of action related in any way involving the above referenced civil action, it is not intended to be, nor shall be construed as, an admission of fact, fault, liability or wrongdoing by any party hereto and each party expressly denies any fault, liability or wrongdoing. The parties to this Agreement agree by execution of the same that this constitutes a settlement of all past and current disputes and potential future suits between the Parties or between any of them from the beginning of the world through

the date hereof with the exception of the enforcement of this Agreement and the Severance Agreement as modified by the Agreement.

4. The parties agree that upon payment by SWA to Riggs of Two Hundred Fifty Thousand Dollars (\$250,000.00), (“the **Settlement Payment**”) the Settlement Payment to be evidenced by the execution, concurrent with this Agreement, of proper documentation fully assigning an unencumbered \$250,000.00 membership interest in Rio Rico LLC, an Arizona limited liability company from Duane H. Slade individually to Russel O. Riggs and Sharon C. Riggs husband and wife, (a copy of which is attached hereto as Exhibit B to this Agreement), the Parties shall mutually release one another as follows:

5. Riggs shall be deemed to have released, remised and forever discharged SWA, and each of their respective officers, directors, shareholders, managers, members, affiliates, employees and agents (collectively, the “SWA Parties”) from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556 however, that Riggs shall retain the right to assert any and all claims arising out of any of SWA’s failure to comply with any of the provisions of this Agreement and Severance Agreement as modified by this Agreement.

6. Upon payment by SWA of the Settlement Payment SWA shall be deemed to have released, remised and forever discharged Riggs from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556. Provided however, that the SWA Parties shall retain the right to assert any and all claims arising out of Riggs’s failure to comply with any provision of this Agreement or the herein referenced Severance Agreement.

7. The Parties hereto each represent and warrant to the other Parties that they have each been represented by counsel of their choice in connection with the review, negotiation, approval and execution of this Agreement; that each has shown this Agreement to their respective attorneys, who has explained it and advised them that it is a legally binding contract; that each has read and understood this Agreement; that each has entered into the same freely and voluntarily without coercion, duress or undue influence of any kind or nature; and that each intends to be bound by each provision of this Agreement.

8. The Parties shall be responsible for the payment of their own attorneys’ fees and all other costs and expenses incurred in connection with this Agreement and all matters referred to herein.

9. The Parties declare and represent that no promise, inducement or agreement that is not specifically provided in this Agreement has been made by any party to this Agreement; that this Agreement (with exhibits) contains the entire agreement

among the Parties with respect to the settlement and release of claims; and that the terms of this Agreement may not be modified except in writing signed by all the parties.

10. This Agreement shall be binding upon and inure to the benefit of Riggs and the SWA Parties.

11. This Agreement may be executed in one or more counterparts and signed by facsimile signatures, and each counterpart shall be deemed an original for all purposes.

12. If any provision of this Agreement, or portion thereof, shall be determined to be invalid or unenforceable for any reason, the provision or portion thereof shall be severed from this Agreement and the remaining provisions of this Agreement and portions thereof shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

13. Any and all fees and costs (including, without limitation, reasonable attorneys' fees and costs) incurred by the prevailing party in enforcing or defending its rights under this Agreement shall be paid by the non-prevailing party.

14. This Agreement shall be construed, interpreted and applied in accordance with the substantive laws of the State of Arizona, without reference to its choice of law rules.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Settlement Agreement and Mutual Release as of the date first written above.

RUSSEL O. RIGGS

_____ Russel O. Riggs, Individually and on behalf
of the Marital Community

SHARON RIGGS

Sharon Riggs, Individually and on behalf of the Marital Community

**SLADE WILLIAMS & ASSOCIATES, LLC an Arizona
limited liability company**

By: _____

Its: _____

ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC

THIS ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC, an Arizona limited liability company ("Assignment") is made and entered into as of the 7th day of April 2004, by and between Duane H. Slade, individually ("Assignor") and Russel O. Riggs and Sharon C. Riggs, husband and wife, ("Assignee").

WITNESSETH:

WHEREAS, Assignee and Assignor, together with Slade Williams and Associates, LLC an Arizona limited liability company, and its affiliates and their respective officers, directors, shareholders, managers, members, employees and agents (the "SWA Parties") entered into a certain Settlement Agreement and Mutual Release dated April 7, 2004 (the "Settlement Agreement") whereby Assignor has agreed to assign an unencumbered Two Hundred Fifty Thousand Dollar (\$250,000.00) Membership Interest in Rio Rico, LLC to Assignee.

WHEREAS, Assignor desires to assign to Assignee all of its right, title and interest in and to Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC, and Assignee desires to accept such assignment as a Settlement Payment as described in the herein referenced Settlement Agreement.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. As full tender of the Settlement Payment described in paragraph 4 of the herein referenced Settlement Agreement, Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, the assignment of all of Assignor's right, title, interest in and to, Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC.

2. Assignor represents and warrants to the Assignee that Assignor: (a) has full power and authority to assign, transfer and convey the Membership Interest; (b) is the sole holder of the Rights and (c) that the Rights have not been previously assigned, sold, transferred, conveyed or encumbered to or in favor of any other party.

3. Assignee may enforce, but has no obligation to enforce, this Assignment.

4. This Assignment is irrevocable and shall remain in full force and effect.

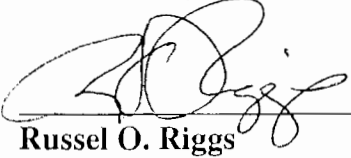
IN WITNESS WHEREOF, the Parties hereto have executed this Assignment of Membership Interest in Rio Rico, LLC, an Arizona limited liability company, as of the date first above written.(Signature Page Follows)

ASSIGNOR:

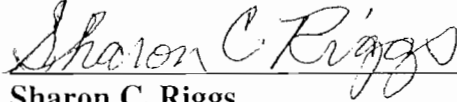


Duane H. Slade, individually

ASSIGNEE:



Russel O. Riggs



Sharon C. Riggs

Acknowledged and Agreed:

Slade Williams and Associates, LLC

By: 

Its: Manager _____

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (this "**Agreement**") is entered into this 16th day of April, 2004, by and among Slade Williams and Associates, an Arizona limited liability company ("hereinafter referred to as "**SWA**"), and Russel Owen Riggs and Sharon Riggs, as husband and wife, ("**Riggs**") (hereinafter "the Parties").

RECITALS

- A. SWA and Riggs have previously entered into a Severance Agreement dated December 1, 2003. (A Copy is attached hereto as Exhibit A to this Agreement.)
- B. A dispute has arisen over the performance of certain rights, obligations and duties contained in the herein referenced Severance Agreement. The dispute is evidenced by the filing of a lawsuit in the Maricopa County Superior Court, civil action number CV 2004-090556.
- C. The Parties have mutually agreed to modify the herein referenced Severance Agreement and upon execution of this Agreement, dismiss the subject lawsuit with prejudice.

NOW THEREFORE in consideration of a Settlement Payment as set forth below and the conditions and covenants contained herein, the Parties have agreed to the following:

AGREEMENT

1. Upon execution of this Agreement and payment of the Settlement Payment the Parties do hereby agree that the Parties respectively mutually fully release one another from performance of each and every duty and obligation contained in paragraphs 2 (a)(i), (ii), (iii), (b), (d), (e), (g) of the Severance Agreement.

2. The Parties reaffirm all duties and obligations of the Severance Agreement not specifically released above.

3. This Agreement is entered into solely as a compromised settlement for the purpose of settling claims or causes of action related in any way involving the above referenced civil action, it is not intended to be, nor shall be construed as, an admission of fact, fault, liability or wrongdoing by any party hereto and each party expressly denies any fault, liability or wrongdoing. The parties to this Agreement agree by execution of the same that this constitutes a settlement of all past and current disputes and potential future suits between the Parties or between any of them from the beginning of the world through

the date hereof with the exception of the enforcement of this Agreement and the Severance Agreement as modified by the Agreement.

4. The parties agree that upon payment by SWA to Riggs of Two Hundred Fifty Thousand Dollars (\$250,000.00), (“the **Settlement Payment**”) the Settlement Payment to be evidenced by the execution, concurrent with this Agreement, of proper documentation fully assigning an unencumbered \$250,000.00 membership interest in Rio Rico LLC, an Arizona limited liability company from Duane H. Slade individually to Russel O. Riggs and Sharon C. Riggs husband and wife, (a copy of which is attached hereto as Exhibit B to this Agreement), the Parties shall mutually release one another as follows:

5. Riggs shall be deemed to have released, remised and forever discharged SWA, and each of their respective officers, directors, shareholders, managers, members, affiliates, employees and agents (collectively, the “SWA Parties”) from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556 however, that Riggs shall retain the right to assert any and all claims arising out of any of SWA's failure to comply with any of the provisions of this Agreement and Severance Agreement as modified by this Agreement.

6. Upon payment by SWA of the Settlement Payment SWA shall be deemed to have released, remised and forever discharged Riggs from any and all causes of action, damages, claims, losses and expenses (including attorneys’ fees) of any nature whatsoever, whether asserted or not, arising out of or resulting from or related to the above referenced CV # 2004-090556. Provided however, that the SWA Parties shall retain the right to assert any and all claims arising out of Riggs’s failure to comply with any provision of this Agreement or the herein referenced Severance Agreement.

7. The Parties hereto each represent and warrant to the other Parties that they have each been represented by counsel of their choice in connection with the review, negotiation, approval and execution of this Agreement; that each has shown this Agreement to their respective attorneys, who has explained it and advised them that it is a legally binding contract; that each has read and understood this Agreement; that each has entered into the same freely and voluntarily without coercion, duress or undue influence of any kind or nature; and that each intends to be bound by each provision of this Agreement.

8. The Parties shall be responsible for the payment of their own attorneys’ fees and all other costs and expenses incurred in connection with this Agreement and all matters referred to herein.

9. The Parties declare and represent that no promise, inducement or agreement that is not specifically provided in this Agreement has been made by any party to this Agreement; that this Agreement (with exhibits) contains the entire agreement

among the Parties with respect to the settlement and release of claims; and that the terms of this Agreement may not be modified except in writing signed by all the parties.

10. This Agreement shall be binding upon and inure to the benefit of Riggs and the SWA Parties.

11. This Agreement may be executed in one or more counterparts and signed by facsimile signatures, and each counterpart shall be deemed an original for all purposes.

12. If any provision of this Agreement, or portion thereof, shall be determined to be invalid or unenforceable for any reason, the provision or portion thereof shall be severed from this Agreement and the remaining provisions of this Agreement and portions thereof shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

13. Any and all fees and costs (including, without limitation, reasonable attorneys' fees and costs) incurred by the prevailing party in enforcing or defending its rights under this Agreement shall be paid by the non-prevailing party.

14. This Agreement shall be construed, interpreted and applied in accordance with the substantive laws of the State of Arizona, without reference to its choice of law rules.

[signature pages follow]

ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC

THIS ASSIGNMENT OF MEMBERSHIP INTEREST IN RIO RICO, LLC, an Arizona limited liability company ("Assignment") is made and entered into as of the 7th day of April 2004, by and between Duane H. Slade, individually ("Assignor") and Russel O. Riggs and Sharon C. Riggs, husband and wife, ("Assignee").

WITNESSETH:

WHEREAS, Assignee and Assignor, together with Slade Williams and Associates, LLC an Arizona limited liability company, and its affiliates and their respective officers, directors, shareholders, managers, members, employees and agents (the "SWA Parties") entered into a certain Settlement Agreement and Mutual Release dated April 7, 2004 (the "Settlement Agreement") whereby Assignor has agreed to assign an unencumbered Two Hundred Fifty Thousand Dollar (\$250,000.00) Membership Interest in Rio Rico, LLC to Assignee.

WHEREAS, Assignor desires to assign to Assignee all of its right, title and interest in and to Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC, and Assignee desires to accept such assignment as a Settlement Payment as described in the herein referenced Settlement Agreement.

NOW, THEREFORE, in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. As full tender of the Settlement Payment described in paragraph 4 of the herein referenced Settlement Agreement, Assignor hereby assigns, transfers and conveys to Assignee, and Assignee hereby accepts from Assignor, the assignment of all of Assignor's right, title, interest in and to, Two Hundred Fifty Thousand Dollars (\$250,000.00) in Membership Interest in Rio Rico, LLC.

2. Assignor represents and warrants to the Assignee that Assignor: (a) has full power and authority to assign, transfer and convey the Membership Interest; (b) is the sole holder of the Rights and (c) that the Rights have not been previously assigned, sold, transferred, conveyed or encumbered to or in favor of any other party.

3. Assignee may enforce, but has no obligation to enforce, this Assignment.

4. This Assignment is irrevocable and shall remain in full force and effect.

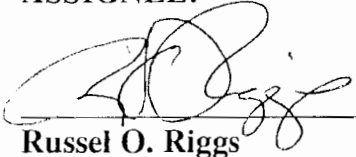
IN WITNESS WHEREOF, the Parties hereto have executed this Assignment of Membership Interest in Rio Rico, LLC, an Arizona limited liability company, as of the date first above written.(Signature Page Follows)

ASSIGNOR:



Duane H. Slade, individually

ASSIGNEE:



Russel O. Riggs



Sharon C. Riggs

Acknowledged and Agreed:

Slade Williams and Associates, LLC

By: 

Its: Manager _____

January 7, 2004

Oak Harbor Financial
1819 E. Southern Ave. Suite D-10
Mesa, Arizona 85206

Attention: Russ Riggs

LETTER OF UNDERSTANDING

**RE: Construction of Warehouse and Office Building 450 Gold Hill Road, Nogales
Arizona**

Gentlemen:

Please accept this Letter of Understanding as a clarification to aid in the processing of the current construction loan regarding the above referenced property. The undersigned parties have agreed to the following:

1. All terms and conditions of the at certain Construction Contract entered into July 14, 2003 by and between NJAJ, LLC an Arizona limited liability company (NJAJ) and Slade Construction, LLC an Arizona limited liability company (Slade) shall remain in full force and effect unless specifically amended by this Letter of Understanding.
2. The contract calls for \$90,000.00 in General Conditions and \$417,029.24 in Profit and Overhead to be paid directly to Slade. Slade may disburse these sums in any manner authorized by Slade.
3. During the course of construction Oak Harbor Financial has disbursed to Slade certain funds, as previously approve by NJAJ, in the approximate amount of amount of \$213,976.
4. In order to facilitate the payment of certain subcontractors, and to assure the timely completion of the subject construction project, Slade has agreed to advance \$100,000.00 directly to subcontractors performing work on the job. It is agreed by all parties that the \$100,000.00 advanced by Slade paid directly to subcontractors shall be reimbursed to Slade at a later date as the project progresses.

5. At a minimum, NJAJ agrees to authorize Oak Harbor Financial to disburse to Slade an amount equal to twenty percent (20%) of the invoices paid. This payment shall be credited to the General Conditions and Profit and Overhead line items.
6. The parties have agreed by way of clarification that only the tenant improvements set forth on Exhibit A attached to this Letter of Understanding have been contemplated by the Contract Price set forth in the Construction Contract referenced above. Any additional tenant improvements will result in additional costs to NJAJ.

Please accept this Letter of Understanding and implement the terms and conditions when processing the construction disbursements. If you have any questions please contact the undersigned parties.

Thank you.

NJAJ, LLC

Slade Construction, LLC

By: *Celice Murphy*

By: *Corwin J. Slade*

Its: *Managing Member*

Its: *Managing Member*

January 8, 2004

Slade Construction LLC
3960 East Palm Street
Building 1
Mesa AZ 85215

ATTACHMENT A
LETTER OF UNDERSTANDING

1. Offices to be completed are #9, #7, #6, #5.
2. The remaining offices will be completed to the extent that individual line items will allow.
3. Change orders 2, 3, 4, and 5 will change the contract sum to \$2,346,306.00.

NJAJ, LLC

By: *Chris Malaga*
Its: *Managing Member*

Slade Construction LLC

By: *Curtis D. Slade*
Its: *Managing Member*

Russel O. Riggs
3808 E. Farmdale Ave.
Mesa, Arizona 85206
(480) 659-2348

Russel O. Riggs
Real Estate
Professional

Fax

To: Terry Shanahan VP **From:** Russ Riggs
Fax: (480) 854-6760 **Pages:** 4
Phone: **Date:** 4/15/2004
Re: **CC:**

Urgent For Review Please Comment **Please Reply** Please Recycle

Dear Terry:

Attached hereto please find the Letter of Understanding that was executed last January. All of the parties have reaffirmed their desire to abide by this and the original contract. I have met with Carwin Slade and he is satisfied with the condition of the situation. Please contact me to arrange to finalize our settlement. I look forward to hearing from you soon.

Thank you.

Russ Riggs

