

WHEN RECORDED, MAIL TO

Joni L. Walaski, Esq.
645 Madison Avenue, 19th Floor
New York, New York 10022

13991

TRUST DEED

THIS TRUST DEED is made this 29 day of September, 2005, between Jian Xing Family LLC, a Utah limited liability company, as Trustor, whose address is 1220 West 800 South, Payson, Utah; Marion L. Bates, Attorney at Law, as Trustee, whose address is 50 South Main Street, Suite 950, Salt Lake City, Utah 84144; Business Loan Center, LLC, as Beneficiary, whose address is Independence Corporate Park, One Independence Pointe, Suite 102, Greenville, South Carolina 26915.

TRUSTOR hereby CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property situated in Utah County, Utah:

**SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART
HEREOF.**

Together with and including all water rights, buildings, all fixtures, including but not limited to all plumbing, heating, lighting, ventilating, refrigerating, incinerating and air condition apparatus, (the Trustor hereby declaring that it is intended that the items herein enumerated shall be deemed to have been permanently installed as part of the realty) and all improvements now or hereafter existing thereon, the hereditaments and appurtenances and all other right thereunto belonging or in anywise appertaining, and the

reversions and reversions, remainder and remainders and the rents, issues, and profits of the above described property. To have and to hold the same unto the Trustee, and the successor in interest of the Trustee, forever, in fee simple or such estate, if any, as is stated herein, to secure the payment of a promissory of this date, in the principal sum of \$1,692,000.00.

1. This conveyance is made upon and subject to the further trust that the Trustors shall remain in quiet and peaceable possession of the above granted and described premises and take the profits thereof for their own use until default be made in any payment of an installment due on said note or in the performance of any of the covenants or conditions contained therein or in this Deed of Trust; and also to secure the reimbursement of the Beneficiary or any other holder of said note, the Trustee or any substitute trustee of any and all costs and expenses incurred, including reasonable attorney's fees, on account of any litigation or non-judicial foreclosure proceeding which may arise with respect to this Trust or with respect to the indebtedness evidenced by said note, the protection and maintenance of the property hereinabove described or in obtaining possession of said property after any sale which may be made as hereinafter provided.

2. Upon the full payment of the indebtedness evidenced by said note and the interest thereon, the payment of all other sums herein provided for, the repayment of all monies advanced or expended pursuant to said note the Guarantee, or this instrument, and upon the payment of all other proper costs, charges and expenses, the above described property shall be released and reconveyed to and at the cost of the Trustor.

3. Upon default in any of the covenants or conditions of this instrument or of the note or loan agreement secured hereby, the Beneficiary or its assigns may without notice and without regard to the adequacy of security for the indebtedness secured, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by the court, enter upon and take possession of said property or any part thereof, and do any acts which Beneficiary deems proper to protect the security hereof, and either with or without taking possession of said property, collect and receive the rents, royalties, issues, and profits thereof, including rents accrued and unpaid and apply the same, less costs of operation and collection, upon the indebtedness secured by this Deed of Trust, said rents, royalties, issues, and profits, being hereby assigned to the Beneficiary as further security for the payment of such indebtedness. Exercise of rights under this paragraph shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice but shall be cumulative to any right and remedy hereunder, or provided by law, and may be exercised concurrently or independently. Expenses incurred by Beneficiary hereunder including reasonable attorney's fees shall be secured hereby.

4. The Trustor covenants and agrees that if it shall fail to pay said indebtedness, or any part thereof, when due, or shall fail to perform any covenants or agreement of this instrument or of the promissory note secured hereby, the entire indebtedness hereby secured shall immediately become due, payable and collectible without notice, at the option of the Beneficiary or assigns, regardless of maturity, and the Beneficiary or assigns may enter upon said property and collect the rents and profits thereof. Upon such default in payment or performance, and before or after such entry, the

Trustee, acting in the execution of this Trust, shall have the power to sell said property, at public auction, to the highest bidder, in accordance with the laws of the state of Utah. In the event of a sale as hereinabove provided, the Trustor, or any person in possession under the Trustor, shall then become and be tenants at will, and shall forthwith deliver possession of the property to the purchaser at such sale or be summarily dispossessed, in accordance with the provisions of law applicable to tenants at will. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to all other remedies for the collection of said indebtedness. The Beneficiary or assigns may take any other appropriate action pursuant to state or federal statute either in federal court or otherwise for the disposition of the property.

5. In the event of a sale as provided in paragraph 4, the Trustee shall be paid a fee by the Beneficiary in an amount not in excess of the maximum permitted by applicable law, provided, however, that the amount of such fee shall be reasonable and shall be approved by the Beneficiary as to reasonableness. Said fee shall be in addition to the costs and expenses incurred by the Trustee in conducting such sale. The Trustee shall also be reimbursed by the Beneficiary for all costs and expenses incurred in connection with preparing said property for sale if the sale is not consummated.

6. The proceeds of any sale of said property in accordance with paragraph 4 shall be applied first to payments of fees, costs, and expenses of said sale; the expenses incurred by the Beneficiary for the purpose of protecting or maintaining said property; and reasonable attorney's fees; secondly to payment of the indebtedness secured hereby; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.

7. In the event said property is sold pursuant to the authorization contained in this instrument or at a judicial foreclosure sale and the proceeds are not sufficient to pay the total indebtedness secured by this instrument and evidenced by said promissory note, the Beneficiary will be entitled to a deficiency judgment pursuant to Utah state law.

8. The Trustor covenants and agrees as follows:

a. To promptly pay the indebtedness evidences by said promissory note at the times and in the manner therein provided.

b. To pay all taxes, assessments, water rates, and other governmental or municipal charges, fines or impositions, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefor to the Beneficiary, or upon request of the Lender, to pay to Lender on a monthly basis an amount sufficient for the Lender to make such payments when next due.

c. To pay such expenses and fees as may be incurred in the protection and maintenance of said property, including the fees of any attorney employed by the Beneficiary for the collection of any or all of the indebtedness hereby secured, of such expenses and fees as may be incurred in any foreclosure sale by the Trustee, or court proceedings, or in any other litigation or proceeding affecting said property, and attorney's fees reasonably incurred in any other way.

d. The rights created by this conveyance shall remain in full force and effect during any postponement or extension of the time of the payment of the indebtedness evidences by said note or any part thereof secured hereby.

e. To continuously maintain hazard insurance of such type or types and in

such amounts as the Beneficiary may from time to time require, on the improvements now or hereafter on said property, and will pay promptly when due any premiums therefore. All insurance shall be carried in companies acceptable to Beneficiary. In the event of loss, Trustor will give immediate notice in writing to Beneficiary and Beneficiary may make proof of loss if not made promptly by Trustor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Beneficiary instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any party thereof, may be applied by Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event of a Trustee's sale or other transfer of title to said property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Trustor in and to any insurance policies then in force shall pass at the option of the Beneficiary to the purchaser or Beneficiary.

f. To keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear expected, and in the event of the failure of the Trustor to keep the buildings on said premises and those to be erected on said premises, or improvements thereon, in good repair, the Beneficiary may make such repairs as in the Beneficiary's discretion it may deem necessary for the proper preservation thereof, and any sums paid for such repairs shall bear interest from the date of payment at the rate specified in the note, shall be due and payable on demand and shall be fully secured by this Deed of Trust.

g. That Trustor will not without prior written consent of the Beneficiary voluntarily create or permit to be created against the property subject to the Deed of Trust

any liens inferior to the lien of this Deed of Trust, and further, she will keep and maintain all superior liens free from default of any kind, and will keep and maintain the property free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected upon such premises.

h. That Trustor will not to assign any part of said property or demolish, remove, or substantially alter any building without the written consent of the Beneficiary.

9. In the event the Trustor fails to pay any federal, state, or local tax assessment, income tax or other tax lien, charge, fee, or other expense charged to the property hereinabove described, the Beneficiary is hereby authorized to pay the same and any sum so paid by the Beneficiary may, at the sole discretion of the Beneficiary, be added to and become part of the principal amount of the indebtedness evidenced by said promissory note or become immediately due and payable by the Trustor. If the Trustor pays and discharges all taxes and liens and the costs, fees, and expenses of making, enforcing and executing this Deed of Trust, then this Deed of Trust shall be canceled and surrendered.

10. The Trustor covenants that it is lawfully seized and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that they hereby bind themselves and their successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the claims of all persons whomsoever.

11. Furthermore, should the Trustor fail to cure any default in the payment

of a proper or inferior encumbrance on the property described by this instrument, Trustor hereby agrees to permit Beneficiary to cure such default, but Beneficiary is not obligated to do so; and such advances may, at the sole discretion of the Beneficiary, become part of the indebtedness secured by this instrument, subject to the same terms and conditions, or be immediately due and payable by Trustor.

12. All awards of damages in connection with any condemnation for public use or injury to any of said property are hereby assigned and shall be paid to Beneficiary, who may apply the same to payment of the installments last due under said note, and the Beneficiary is hereby authorized, in the name of the Trustor, to execute and deliver valid acquittances thereof and to appeal from such award.

13. The irrevocable right to appoint a substitute trustee or trustee is hereby expressly granted to the Beneficiary, its successor or assigns, to be exercised at any time hereafter without notice and without specifying any reason therefore, by filing for record in the office where this instrument is recorded an instrument of appointment. The Trustor and the Trustee herein named or that may hereafter be substituted hereunder expressly waive notice of the exercise of this right as well as any requirement or application to any court for the removal, appointment or substitution of any trustee hereunder.

14. Notice of the exercise of any option granted herein to the Beneficiary or to the holder of the note secured hereby is not required to be given to the Trustor, the Trustor having hereby waived such notice.

15. The term "Beneficiary" shall include any payee of the indebtedness hereby secured or any assignee or transferee thereof whether by operation or law or otherwise. The covenants herein contained shall bind and the rights herein granted or

conveyed shall insure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

16. A judicial decree, order, or judgment holding any provision or portion of this instrument invalid or unenforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this instrument.

17. The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

- a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.
- b) Secured Party or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument

In Witness Whereof, the Trustor has executed this instrument and the Trustee and Beneficiary have accepted the delivery of this instrument as of the day and year aforesaid.

Trustor

Jian Xing Family LLC,
a Utah limited liability Company

By: Jian Cheng Luo
Name: Jian Cheng Luo
Its: Member

By: Mei Xing Luo
Name: Mei Xing Luo
Its: Member

STATE OF Utah
COUNTY OF Utah

The foregoing instrument was acknowledged before me this 29 day of September, Jian Cheng Lou and Mei Xing Lou as members of Jian Xing Family, LLC, a Utah limited liability company.

Michael Tymon
Notary Public



Parcel 1

BEGINNING AT A POINT THAT IS SOUTH 931.18 FEET AND WEST 730.64 FEET FROM THE EAST ¼ CORNER OF SECTION 18, TOWNSHIP 9 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN, BASED ON UTAH STATE PLANE COORDINATE, CENTRAL ZONE, AS PUBLISHED BY UTAH COUNTY SURVEYORS OFFICE AS ENTRY NO. 30470, IN BOOK 2170, ON PAGE NO. 239, THENCE NORTH 89° 46'29" WEST 378.14 FEET; THENCE NORTH 89° 21'42" WEST 280.00 FEET; THENCE NORTH 00°28'03" WEST ALONG A FENCELINE 417.41 FEET; THENCE SOUTH 88° 28'22" EAST ALONG A FENCE LINE 275.56 FEET; THENCE SOUTH 88° 19'10" EAST ALONG A FENCE LINE 385.40 FEET; THENCE SOUTH 00° 07'05" EAST 403.36 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING

BEGINNING AT A POINT THAT IS SOUTH 931.18 FEET AND WEST 730.64 FEET AND NORTH 89° 46'29" WEST 378.14 FEET FROM THE WEST 378.14 FEET FROM THE EAST ¼ CORNER OF SECTION 18, TOWNSHIP 9 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN, BASED ON UTAH STATE PLANE COORDINATE, CENTRAL ZONE, AS PUBLISHED BY UTAH COUNTY SURVEYORS OFFICE AS ENTRY NO. 30470, IN BOOK 2170, AT PAGE 239; THENCE NORTH 89° 21'42" WEST 280.00 FEET; THENCE NORTH 00° 29'03" WEST ALONG A FENCELINE 417.41 FEET; THENCE SOUTH 88° 28'22" EAST ALONG A FENCELINE 275.56 FEET; THENCE SOUTH 1° 05'57" EAST 413.25 FEET TO THE POINT OF BEGINNING.

NOW KNOWN AS LOT 1, PLAT A, HENLINE SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT THEREOF ON RECORD IN THE UTAH COUNTY RECORDER'S OFFICE.

SUBJECT TO BOUNDARY LINE AGREEMENT, RECORDED AUGUST 16, 1993, AS ENTRY NO. 55571, IN BOOK 3220, AT PAGE 699.

LESS AND EXCEPTING WATER RIGHTS.

TAX PARCEL NO. 41-259-0001

Parcel 2

All of Lot 32, Plat B, Canyon Ridge Estates Subdivision, Spanish Fork, Utah, according to the official plat thereof on file in the office of the Recorder of Utah County, Utah.

Tax Parcel No. 36-465-0032