

## LOAN SETTLEMENT AGREEMENT

Agreement Number: PFP - ILI / 07-309-236/ RPTC - FGCUI

This Loan Agreement is entered into as of the 5th day of November 2007, by and between the FOUNTAIN GROUP OF COMPANIES OF UTAH, INC, Edmund E. Wilson, CEO, having full authorized Signatory, located at 204 East, 860 South, Suite A, Orem, Utah 84058, hereinafter referred to as "Project Funding Director", and Inland Lake Investments, LLC, Gadson H. Woodall, III, Managing Member, as the fully authorized Signatory, located at 303 Second Avenue East, Suite E, Oneonta, AL, 35121 hereinafter referred to as the "Client".

It is agreed between the Parties hereto that:

1. Client requests the services of Project Funding Director to finance the project known as The Retreat at Inland Lake Real Estate Project (hereinafter referred to as the "Project") located in Springville, Alabama under the Substitution of Collateral Real Estate Program in the net amount of Two Hundred and Fifty-eight Million (\$258,000,000.00 USD) United States Dollars.

Following is the breakdown of the funding under this Loan Agreement.

### Phase I

Net funding	\$	144,900,000.00
Gross Funding:	\$	199,962,000.00
20 % Platform Construction fee	\$	39,992,400.00 (paid by FGCUI)
Platform Construction Fee	\$	80,000.00 (paid by <u>client</u> )

Upon settlement at escrow: (Figures are in USD)

\$	138,000,000.00	shall be delivered to Client (The Loan Amount)
\$	39,992,400.00	shall be delivered to FGCUI
\$	7,534,800.00	shall be delivered to FGCUI
\$	7,534,800.00	shall be delivered RPTC

### Phase II

Net funding	\$	126,000,000.00 Minus BOCF fees
Gross Funding:	\$	173,880,000.00
20 % Platform Construction fee	\$	34,776,000.00 (paid by FGCUI)
Platform Construction Fee	\$	80,000.00 (paid by <u>client</u> )

Upon settlement at escrow: (Figures are in USD)

\$	120,000,000.00	shall be delivered to Client (The Loan Amount)
\$	34,776,000.00	shall be delivered to FGCUI
\$	6,552,000.00	shall be delivered to FGCUI
\$	6,552,000.00	shall be delivered to RPTC

2. In consideration of a fee (hereinafter referred to as "Fee") in the amount of Eighty Thousand (\$ 80,000.00 USD) United States Dollars for each phase to be deposited in

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the account as invoiced by the Audit Company, Project Funding Director will proceed as follows:

A) Upon execution of this Loan Agreement, Project Funding Director shall cause the Audit Company to invoice Client for an amount of eighty thousand (\$80,000.00 USD) United States Dollars known as the **Platform Construction Fee** for each phase. Platform Construction Fee of \$80,000.00 USD minus the cost of \$2,500.00 will be refundable to client in the event the Promissory Notes are not delivered to fund the above referenced project. **Upon delivery of the invoice, client is aware that in the event Client does not transfer the \$80,000.00 to the destination instructed by the Auditor within a four (4) banking day period from receipt, this contract shall be deemed cancelled, null and void.**

B) Upon Client receiving the invoice and delivering the platform construction fee in the amount of \$80,000.00 to the account as designated by the Audit Company, the Project Funding Director shall open *a segregated account on behalf of the client.*

C) A cost of \$2,500.00 shall immediately be paid out of the Platform Construction Fee by Project Funding Director for the opening of the account. Client shall be notified when account is opened and provided coordinates.

D) Project Funding Director shall cause to be assigned to the segregated account, a Promissory Note or Notes secured by life policies/settlements issued by United States based Life Insurance Companies rated "A" or better by Standard & Poors or AM Best in the name of the Project Funding Director. In the event the Promissory Notes as referenced herein and an integral part of this Agreement are not delivered, the balance of the Platform Construction Fee, in the amount of Seventy Seven Thousand Five Hundred Dollars (\$77,500.00) plus interest at the rate of 6% per month shall be promptly refunded by FGCUI to Client without delay.

E) Project Funding Director shall then cause to be delivered to the segregated escrow account the amount of the 20% Platform Construction Fee as itemized above.

F) Project Funding Director shall then cause, through the substitution of collateral, the leveraging and management of the funds to produce the requested project funds.

G) Upon the receipt, by the escrow, of the project funds referenced herein, Client shall be notified to execute the release of any beneficial interest it has in the Promissory Note(s) and the amount of the Loan request, as outlined above, shall be simultaneously released to the account as designated by Client (or its subsidiary).

H) The Project Funding Director assumes all responsibilities for the retirement and/or repayment of the Promissory Note(s) (including interest), any payments or obligations to any insurance companies, any banks, any title

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companies, any brokers, any escrow companies and any attorneys and shall indemnify Client against same. The responsibility of the Client shall be the execution of the Project as referenced herein, and the provision of a total of thirty (30%) percent of the equity in such project to the parties so designated as described herein and the repayment of the loan to the extent provided herein and in the final loan documentation (settlement directive).

D) The Project Funding Director assumes any and all responsibility for the creation of platform, the creation and distribution of the funds and attests that the entire process is legal and has not been misrepresented either verbally prior to this agreement or according to this agreement. Any illegal actions under the Laws of the United States of America in creating, organizing or procuring this type of funding shall be the sole responsibility of the Project Funding Director and Project Funding Director hereby indemnifies Client against any claims and liabilities relating to such creation, organization and procurement.

J) The Project Funding Director takes full responsibility for not disclosing the source or sources of funding, escrow agents, attorneys, brokers and accountants and by doing so takes full responsibility for their actions and so indemnifies Client in conjunction with the funding sought through the Substitution of Collateral method.

K) The collateral substitution leaves the Client's property free and clear of any and all encumbrances except the ownership participation, as agreed by the Parties herein.

L) It is hereby understood that there is a loan being made to the Client (or its subsidiary) by the Project Funding Director which will be forgiven at later date, up to 18 months after the funding date. The Client shall be responsible for any and all tax consequences under the assumption that the Project Funding Director will treat the distribution as such and anything to the contrary will be the responsibility of the Project Funding Director.

M) At the close of escrow, Client shall, at the request of the Project Funding Director, execute and transfer a percentage of common equity of Inland Lake Investments, LLC in the amount of Fifteen (15 %) Percent which shall be delivered to RPTC and (or it's assigns to be selected at the sole discretion of RPTC), Fifteen (15 %) Percent which shall be delivered to Project Funding Director (and/or it's assigns to be selected at the sole discretion of Project Funding Director), and Five (5 %) Percent which shall be delivered to Blue Ocean Commercial Funding, LLC (and/or it's assigns to be selected at the sole discretion of BOCF). Such common equity shall have a zero capital account and shall be evidenced by an Amended and Restated Limited Liability Company Agreement of Inland Lake Investments, LLC.

N) Client shall have first right to purchase the common equity from RPTC, Project Funding Director and BOCF for an amount equal to the then market value and approved by all parties, which approval shall not be unreasonably withheld if an appraisal of the Project is obtained by a qualified appraiser. The common equity can be purchased within 90 days from close of

escrow for an amount equal to 30% of the Net Funding Amount received by Client. If purchased after 90 days from the close of escrow, the buyout will be an amount equal to the then market value to be determined by a local appraiser and approved by all parties. If an agreement is not mutually agreed upon, RPTC, FGCUI and BOCF reserves the right to sell said ownership for an amount equal to the then market value at their discretion to other parties.

O) It is further understood that at funding, in approximately 150 days, there will be no recorded liens on the Project. Further, FGCUI shall not record or cause to be recorded, any liens against the Project property.

3. Whereas, to induce Project Funding Director to make the enhancement of the development of our Project, Project Funding Director has required, and Client has agreed to pledge certain terms and conditions as security for the common stock and or equity of the project upon the terms and conditions hereinafter set forth.

Client agrees as follows:

- A) Client shall not sell, transfer, assign, mortgage, pledge, lease, grant a security interest in, or encumber any of Borrower's property, including, without limitation, the following.
- B) The Client agrees not to pledge any of the Project's assets (the project) as security and/or not to incur further indebtedness upon the Project or the Company or Corporation owning the Project.
- C) The Client agrees not to pledge any of the Project's Ownership, Corporation or Company.
- D) The Client agrees not to pledge any of the Project's common stock or equity in the Project and/or the Corporation or Company, now or hereafter existing, created, acquired or held;
- E) The Client agrees that any funds received for the Project under our contract agreement will be used exclusively for the project as identified below in the use of funds.
- F) The Client agrees that the present project is either owned by the Corporation, Company or its officer(s), in escrow, optioned or under contract with a deposit receipt.
- G) The Client agrees that any present liens or encumbrances shall be paid first including the payment in full of the purchase of the project.
- H) The Client agrees that a conformed copy of the title policy showing no liens or encumbrances shall be delivered to Project Funding Director.

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I) The Client agrees that upon the receipt of the funds or the close of escrow for the project, the common stock or equity position shall irrevocably be issued and transferred to Project Funding Director and RPTC.

J) The Client agrees that there are no criminal acts or intents pertaining to this Project. The use of funds for the Project and the intent of the Client are to use the funds in conformity with the purchase and or development of said project.

K) The Client agrees that the Project is known as The Retreat at Inland Lake is located in Springville, AL and is in escrow, under purchase agreement, option or owned by Client.

L) The Client agrees that there are not now, nor in the future, any obstructions nor any pending or future obstructions, liens or encumbrances that will affect the stock or the equity of the Project Funding Director.

4. **INDEMNIFICATION.** Client agrees and acknowledges that it shall use the funds provided by Project Funding Director for the purposes of the funding as contained in the documents package submitted by Client. In the event Client does not apply the funds for the agreed to purposes, it is understood that Client shall fully indemnify Project Funding Director from any and all legal actions commenced by third parties relating to the misuse, non use or inappropriate use of funds provided to Client by Project Funding Director. Such indemnification shall cover (in addition to any damages awarded or negotiated against Client) reasonable attorney's fees, court costs and reasonable costs for expert witness and other related expenses. Project Funding Director shall have the right, at its sole discretion to hire its own legal counsel.

5. Upon the successful closing of the above identified transaction, the Project Funding Director shall cause to be delivered to the following coordinates, the following sums of money, without protest or deal, such payment shall be wire transferred less any bank charges for the said expense and free of all local and national taxes and liens to the extent legally permissible.

This order is irrevocable, unchangeable, unconditional, divisible and transferable. This instruction is valid for all rollovers, extensions, renewals or additions to the above referenced transaction, and any new contracts or transactions between Borrower and Lender/Funder, for a period of five (5) years. Buyer /Borrower's bank will be instructed to wire transfer accrued sums for each transaction immediately to the bank account nominated or otherwise provided by the Appointed Paymaster, the Project Funding Director. In the event that a death occurs of any individual being compensated on this agreement that proceed will be designated to their beneficiaries.

**Appointed PAYMASTER:**

Fountain Group of Companies of Utah Inc.  
204 East, 860 South, Suite B  
Orem, Utah 84058-5013

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5.1. Payments earned shall be made to the Client, Inland Lake Investments, LLC in the amount of Two Hundred Fifty-Five Million, Two Hundred Sixty Thousand (\$255,260,000.00 USD) United States Dollars to the following account:

 BANK WIRING INSTRUCTIONS:

- Account Name: Inland Lake Investments, LLC
- Bank Name: First City Bank
- Bank Address: 825 Fairways Court, Suite 301  
Stockbridge, GA 30281
- Telephone Number: 678-289-6227
- SWIFT CODE: [REDACTED]
- Wire Routing No: 061106066
- Account Number: 01005040
- Account Officer: Mark Conner, President

5.2. Payments / fees earned shall be made to the Project Funding Director for reimbursement of the 20 % advanced funds in the amount of Seventy-Four Million, Seven Hundred Sixty-Eight Thousand, Four Hundred (\$74,768,400.00 USD) United States Dollars to the following account:

 BANK WIRING INSTRUCTIONS:

- Account Name: Fountain Group of Companies of Utah Inc.
- Bank Name: To be held by Project Funding Director
- Telephone Number: NA
- SWIFT CODE: NA
- Wire Routing No: NA
- Account Number: NA
- Account Officer: NA

5.3. Payments / fees earned shall be made to the Project Funding Director in the amount of Fourteen Million, Eighty-six Thousand, Eight Hundred (\$14,086,800.00 USD) United States Dollars to the following account:

 BANK WIRING INSTRUCTIONS:

- Account Name: Fountain Group of Companies of Utah Inc.
- Bank Name: To be held by Project Funding Director
- Telephone Number: NA
- SWIFT CODE: NA
- Wire Routing No: NA
- Account Number: NA
- Account Officer: NA

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5.4. Payments / fees earned shall be made to Ross-Pacific Trade Corporation in the amount of Fourteen Million, Eighty-six Thousand, Eight Hundred (\$14,086,800.00 USD) United States Dollars to the following account:

 BANK WIRING INSTRUCTIONS:

- Account Name: Ross-Pacific Trade Corporation
- Bank Name: Disbursed per previous arrangements  
with the Project Funding Director
- SWIFT CODE: NA
- Wire Routing No: NA
- Account Number: NA
- Account Officer: NA

5.5 Payments / fees earned as registered facilitator whose duties include, but are not limited to, the procurement, compilation and conducting of due diligence relating to the Client Loan Package shall be made to Blue Ocean Commercial Funding, LLC, located at 101 Burr Ridge Parkway, Suite 204, Burr Ridge, IL, 60527, represented by Rita Kikoen and having a telephone number of (630) 789-3200 in the amount of Fifteen Million, Six Hundred Forty Thousand (\$15,640,000.00 USD) United States Dollars to the following account:

 BANK WIRING INSTRUCTIONS:

- Account Name: Blue Ocean Commercial Funding, LLC
- Bank Name: Disbursed per previous arrangements  
with the Project Funding Director
- SWIFT CODE: NA
- Wire Routing No: NA
- Account Number: NA
- Account Officer: NA

6. Project Funding Director has not counseled or advised Client regarding this Agreement, the Escrow Agreement or Client's Project for which the funding has been requested by Client. Client has not relied on any written or oral statement(s) made by Project Funding Director regarding same. Project Funding Director has requested Client to obtain independent legal counsel to review this Agreement and Client's proposed use of the funding.
7. Client has been advised by its legal counsel that there is no conflict either at law or equity with this Agreement or Client's proposed use of the funding.
8. Project Funding Director shall have no liability, now or in the future, for damages, related expenses or liabilities including but not limited to incidental, consequential, special, and general or punitive damages or lost profit arising from Client's

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Project Funding Director's Initials \_\_\_\_\_

acceptance of this Agreement, save and except the herein referenced Platform Construction Fee of Eighty Thousand Dollars (\$80,000 USD) and any refund of such as may apply per the provisions of this Agreement and any indemnity obligations provided by this Agreement.

9. Client on its own behalf, its officers, employees, affiliates, subsidiaries and agents, covenants and agrees to keep completely confidential any information received in the course of its dealings with Project Funding Director and in particular the name, address, phone, facsimile and telex numbers, e-mail addresses, web sites or similar knowledge of any party or entity made known to Client by Project Funding Director in relation to this Agreement
10. No waiver or breach thereof, or default under this Loan Agreement by any party hereto shall be considered to be a waiver of any other breach or default of this Loan Agreement.
11. Any notice to be given by any party hereto shall be deemed to have been duly and properly delivered if sent one to the other by overnight courier such as DHL, Federal Express, etc., to the respective address indicated on Page 1 herein, or to such other address as the party giving such notice may have received in writing from the other party.
12. A facsimile, electronic mail or other copy of this Loan Agreement bearing the signature of its authorized signatory shall have the same legal force and effect as the original signed Agreement.
13. Upon validation of the funding by the Escrow Attorney, Project Funding Director **only** shall have the **exclusive** right to issue press releases and publish advertisements and other promotional material disclosing that Project Funding Director has arranged the funding for Client.
14. This Agreement shall be binding upon Client and Project Funding Director, their assigns, heirs and successors in interest.
15. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the United States of America.
16. All claims, disputes and other matters, which arise from or relate to this Agreement, or the breach thereof, and not otherwise herein provided for, shall be submitted to and resolved by the Courts of the United States of America having jurisdiction.
17. In the event any provision of this Agreement is held invalid by a Court having jurisdiction, the remaining provisions herein shall not be affected thereby and shall remain enforceable.
18. This Agreement is a binding corporate document that has been executed with the approval of the Client's Members and the Project Funding Director's Board of Directors.

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19. Client warrants and affirms that all information and documentation submitted by Client to Project Funding Director in connection with this Agreement are true, accurate and complete and that all material facts and details relevant to its funding request have been fully disclosed.
20. This Agreement supersedes all prior verbal understandings and or written agreements between Project Funding Director and Client. No amendments or revisions to this Agreement will be valid without the express written approval of both Client and Project Funding Director.
21. This Agreement shall expire on (120 business days after date of Client's acceptance), in the event the funding referenced in this Agreement is not completed, and in such event, the Platform Construction Fee balance in the amount of \$77,500.00 plus interest at 6% per month shall be promptly refunded to Client by the Project Funding Director, FGCUI, if requested by Client.
22. It is fully understood by the Client that the use of funds submitted by Client shall represent an accurate payment disbursement of funds by Client. If the funds are used in other ways than as outlined in the use of funds document, Client shall indemnify and hold harmless each party against any Losses (as hereinafter defined), joint or several, to which such Party may become subject, under this Loan Settlement Agreement or otherwise, insofar as such Losses (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any submitted documents or any preliminary prospectus, prospectus, or prospectus supplement comprising a part thereof or relating thereto, or any amendment or supplement to any of the foregoing documents or any untrue or alleged untrue oral statement relating to the Project Funding or arise out of or are based upon an omission or alleged omission to state in any Project Funding or such oral statement a material fact required to be stated therein or necessary to make the statements in any Project Funding Document or such oral statement not misleading.
23. **THE CLIENT HEREBY SWEARS UNDER PENALTY OF PERJURY THAT THERE ARE NO OUTSTANDING THIRD PARTY CONTRACTS, WRITTEN OR ORAL, THAT IS A PART OF OR AN ATTACHMENT TO THIS LOAN SETTLEMENT AGREEMENT. THIS SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY STOCK, EQUITY, FEES, PAYMENTS, DISBURSEMENTS, LOANS NOT DISCLOSED IN THIS AGREEMENT OR IN THE USE OF FUNDS DOCUMENT, ADVANCE FEES OR PARTICIPATION.**
24. **THIS LOAN SETTLEMENT AGREEMENT SUPERCEDES ANY AND ALL WRITTEN OR ORAL AGREEMENTS BETWEEN THE PARTIES TO THIS AGREEMENT.**
25. The attachments shall be made a part of this Loan Settlement Agreement as follows;  

Attachment Exhibit "A" The Use of Funds.

Attachment Exhibit "B" A copy of the Purchase Contract on the subject property, a copy of the Grant Deed (or Deed of Ownership), a copy of the Purchase Deposit Receipt, a copy of the Option Agreement, a copy of the Escrow Agreement (executed) or a copy of any document showing the control of the subject property by Client.

Attachment Exhibit "C" A copy of the Legal Description of the Subject Property.

A copy of the "Client Information Sheet".

ACCEPTED AND AGREED TO THIS 5<sup>th</sup> DAY OF November 2007

CLIENT:

Inland Lake Investments, LLC

Represented by Gadson H. Woodall, III, its Managing Member



Gadson H. Woodall, III

PROJECT FUNDING DIRECTOR

Fountain Group of Companies of Utah Inc.

Represented by Edmund Wilson, it's Chairman

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Edmund Wilson

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