

Return Address:

~~James~~ Jim Jefferson
PO Box 143
No Bonneville wt
98639

Document Title(s) or transactions contained herein: Promissory Promissory note	
GRANTOR(S) (Last name, first name, middle initial) Jefferson James M	
<input type="checkbox"/> Additional names on page _____ of document.	
GRANTEE(S) (Last name, first name, middle initial) Ken W Peterson Co, Inc	
<input type="checkbox"/> Additional names on page _____ of document.	
LEGAL DESCRIPTION (Abbreviated: i.e., Lot, Block, Plat or Section, Township, Range, Quarter/Quarter) N/A	
<input type="checkbox"/> Complete legal on page _____ of document.	
REFERENCE NUMBER(S) of Documents assigned or released: 	
<input type="checkbox"/> Additional numbers on page _____ of document.	
ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER 	
<input type="checkbox"/> Property Tax Parcel ID is not yet assigned	
<input type="checkbox"/> Additional parcel numbers on page _____ of document.	
The Auditor/Recorder will rely on the information provided on the form. The Staff will not read the document to verify the accuracy or completeness of the indexing information.	

PROMISSORY NOTE

\$13,918.82

Date: January 13, 2004

For value received, the undersigned Ken W. Peterson Co. inc. and none, (collectively, the "Borrower"), at P.O.Box 159, Stevenson, Washington 98648, each as principal, jointly and severally, promise to pay to the order of James Jefferson, (the "Lender"), at P.O. Box 159, North Bonneville, Washington 98639, (or at such other place as the Lender may designate in writing) the sum of \$13,918.82 with interest from January 01, 2004, on the unpaid principal at the rate of 10.00% per annum.

The unpaid principal and accrued interest shall be payable in full on June 01, 2004 (the "Due Date").

All payments on this Note shall be applied first in payment of accrued interest and any remainder in payment of principal.

The Borrower promises to pay a late charge of \$20.00 for each installment that remains unpaid more than 15 day(s) after its Due Date. This late charge shall be paid as liquidated damages in lieu of actual damages, and not as a penalty.

If any payment obligation under this Note is not paid when due, the remaining unpaid principal balance and any accrued interest shall become due immediately at the option of the Lender.

The Borrower reserves the right to prepay this Note (in whole or in part) prior to the Due Date with no prepayment penalty.

If any payment obligation under this Note is not paid when due, the Borrower promises to pay all costs of collection, including reasonable attorney fees, whether or not a lawsuit is commenced as part of the collection process.

If any of the following events of default occur, this Note and any other obligations of the Borrower to the Lender, shall become due immediately, without demand or notice:

- 1) the failure of the Borrower to pay the principal and any accrued interest in full on or before the Due Date;
- 2) the death of the Borrower or Lender;
- 3) the filing of bankruptcy proceedings involving the Borrower as a debtor;

- 4) the application for the appointment of a receiver for the Borrower;
- 5) the making of a general assignment for the benefit of the Borrower's creditors;
- 6) the insolvency of the Borrower;
- 7) a misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit.

If any of the above defaults apply to one Borrower, all Borrowers shall be deemed in default of this Note regardless of whether all Borrowers are directly involved in the default.

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

All payments of principal and interest on this Note shall be paid in the legal currency of the United States. The Borrower waives presentment for payment, protest, and notice of protest and nonpayment of this Note.

No renewal or extension of this Note, delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note shall affect the liability or the obligations of the Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

This Note shall be construed in accordance with the laws of the State of Washington.

Signed this 23 day of January, 04, at SEACON,
Washington.

Borrower:
Ken W. Peterson Co. inc.

By: [Signature]
Ken W. Peterson Co. inc.

Second Borrower:
none