

CONRAD & Associates

"YOUR FINANCIAL NEEDS ARE OUR PRIORITY!"

November 17, 2003

JOHN BERNER
170 Ave B
Kings Park, NY 11754

Re: Conrad/Berner - 1

Dear John,

Enclosed is Promissory Note for \$50,000, please initial the Promissory Note, keep the original and send a copy of the note back, with the check for \$50,000 made out to Conrad & Associates.

You will receive a check for \$500.00 each month, starting on December 17, 2003.

It is our hope you and your family have a joyous holiday season.

Kindest Regards



William C. Hanson
Conrad & Associates
5650 El Camino Real
Suite 120
Carlsbad, CA 92008

✓
sent
11/26/03

PROMISSORY NOTE

AMOUNT: \$50,000.00

DATE: November 17, 2003

FOR VALUE RECEIVED, the undersigned, CONRAD & ASSOCIATES, A California Corporation ("Promissor"), hereby promises to pay to the order of John Berner, ("Promissee") the principal sum of FIFTY (\$50,000.00) DOLLARS, payable interest only at the rate of 12% per annum on the unpaid principal balance payable monthly with the first payment to begin 30 days from the date hereof and all successive monthly interest payments due on the same day of each successive month thereafter, for a 12 month period with the entire principal amount due on or before 120 days from November 17, 2004, (interest of 1% will paid for each 30 days over the said time). Promissee will have the option to extend the due date for the principal for an additional 12 month period and will continue to receive interest only payments at the rate of 12% per annum during the extension period.

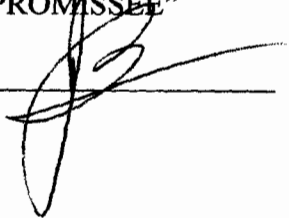
36 MO - ACC LINES

The principal amount of this note is to be protected by collateral pledged in the form of Leased Equipment funded by the principal amount of this note. The Fair Market Value of such collateral must meet or exceed the unpaid principal balance at all times during the term of this note and the Promissor is to be bound to hold all rights, title and claim to said collateral with Promissee.

If any payment due hereunder is not paid within fifteen (15) days of its due date, the outstanding payment will incur a 10% late fee and the holder of this Note may declare the entire principal immediately due and payable. In the event this note shall be in default, the undersigned agrees to liquidate all collateral pledged to repay the unpaid principal balance of this note and pay reasonable attorney fees, and other costs of collection whether or not litigation is instituted. Should litigation be commenced or an attorney be employed to enforce payment of this Note, the undersigned agrees to pay in addition a reasonable sum as attorney's fees. All payments hereunder shall be made to such address as may from time to time be designated by any holder hereof.

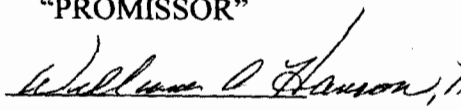
"PROMISSEE"

By: _____

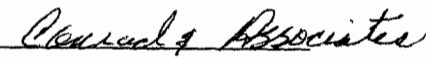


CONRAD & ASSOCIATES
"PROMISSOR"

By: _____



Its: _____



CONRAD & Associates

"OUR BUSINESS IS FINANCE AND WE MAKE YOU OUR PRIORITY!"

Investor Program Guidelines

Concept:

Investors furnish money to Conrad & Associates

Use of the proceeds will be to fund commercial equipment leases to businesses which meet strict, predefined credit criteria of both the business and the principals.

General Guidelines:

- Investments must be for a minimum of (1) one year.
- After the first year, 90 days written notice must be received to liquidate investment. ✓
- Interest earned on the investment will be paid monthly on a specified due date.

Interest: (12% annually)

For an investor who seeks a guaranteed rate of return on an investment. Each interest payment is made on a monthly basis on a specified due date. Each payment is equal in amount.

Benefits To Investors:

- Superior return on investment.
- Investment secured by collateral of leased equipment and other equipment pledged by lessee to protect the entire face value of the lease. Principals of each business also personally guarantee each lease and at times are named as co-lessee's along with the business.
- Investor has the option to "opt-out" of its investment in the program after 1 year or continue the investment on a monthly basis thereafter.

~~XXXXXXXXXX~~

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CONRAD & ASSOCIATES

Conrad & Associates is a financial services company that provides a wide variety of asset based financing products to middle market companies representing a broad spectrum of industries. Headquartered in Carlsbad, in North County San Diego, CA, the company's antecedents date back to 1976. Since 1994 the company has arranged over \$100 million in asset based financing transactions.

The company provides a range of financing products, services and specialty programs for its commercial, professional and institutional clients. These include:

Equipment Leasing – Equipment leases are custom designed to meet the financial, tax and cash flow objectives of each customer. Terms range from 2-7 years. Master lease lines of credit are frequently used to accommodate a client's needs for flexibility in funding multiple schedules.

Equipment Financing – Conrad provides competitive fixed rate financing for equipment, new or used, on various terms structured to meet the customers needs.

Corporate Finance – The company serves as intermediary for companies seeking new, replacement, or expanded corporate finance credit facilities. Financing in This area includes revolving lines and/or term debt secured by accounts receivable, inventory, or other assets. Proceeds are typically used for refinancing current credit facilities, working capital, acquisitions, or expansion.

Bank Leasing Contract Management Services – The company provides independent banks with equipment leasing expertise on a full time in-house or transactional basis. this allows the independent bank to offer equipment leasing to its customers without dedicating fixed cost resources. The company is proud that one of its clients is one of San Diego's oldest and largest independent banks.

Vendor Programs – The company provides vendors specific equipment leasing and financing programs to facilitate the marketing of their products. Under the **Private Label Vendor Program**, the company offers manufacturers or distributors the benefits of a captive finance company through this unique program.

The company prides itself on the reputation it has built for integrity and honesty while being creative in structuring financings to meet particular situations. For more information, please contact one of the Conrad & Associates professionals at 888-350-0701.