

PETTERS COMPANY, LLC  
4400 BAKER ROAD, SUITE 201  
MINNTONKA, MN 55343  
PHONE: 952-974-8209  
FAX: 952-975-2295  
DEANNA.MUNSON@PETTERSGROUP.COM

# facsimile transmittal

To: Yui Ackerman Fax: 847.498.1958  
From: Deanna Munson Date: 6/3/04  
Re: \_\_\_\_\_ Pages: 2  
CC: \_\_\_\_\_

Urgent    For Review    Please Comment    Please Reply    Please Recycle

.....

GOVERNMENT EXHIBIT 253-A 08cr364(RHK/AJB)
--

A0253.0001

**THOUSAND LAKES, LLC**  
 4400 Baker Road, Suite 200  
 Minnetonka, MN 55343  
 952-934-9918 (P)  
 952-975-2295 (F)

19/12/04

**INVOICE**

**Bill To: NATIONAL DISTRIBUTORS**  
 999 LAKE DRIVE  
 ISSAQUAH, WA 98027

F1318  
 Ref. #5527

**Ship To: NATIONAL DISTRIBUTORS**  
 11600 RIVERSIDE DR. #A  
 MIRA LOMA, CA 91752

Salesperson:	Tom Petters	Date of order:	6/2/2004
Payment Terms:	Net 60	Date order shipped:	8/4/2004
Method of shipment:		FOB point:	
Invoice number:	43318	Invoice Date:	8/4/2004
Order number:	[REDACTED]		

ITEM NO.	QTY	DESCRIPTION	PRICE EACH	AMOUNT
CP330	2140	CANON COMPACT PHOTO PRINTER	\$ 232.65	\$ 497,871.00
D320	3115	CANON DIGITAL COPIER/PRINTER	\$ 332.35	\$ 1,035,270.25
D340	3250	CANON DIGITAL COPIER/PRINTER	\$ 373.85	\$ 1,215,012.50
PS4000US	2360	CANON FILM SCANNER	\$ 913.95	\$ 2,156,922.00
<b>WIRE INSTRUCTIONS</b>  <b>BANCO POPULAR</b> <b>ROSEMOUNT, IL</b> <b>ABA [REDACTED]</b> <b>FOR: THOUSAND LAKES, LLC</b> <b>ACCT. [REDACTED]</b>				

10865

	<b>SUBTOTAL</b>	<b>\$ 4,905,075.75</b>
Tax rate: _____	TAX:	
	Shipping & handling:	
	Previous Amt. Owing	
	Credit	
	<b>You pay this amount:</b>	<b>\$ 4,905,075.75</b>

6/3

**THOUSAND LAKES, LLC.**

4400 BAKER ROAD, SUITE 200, MINNETONKA, MN 55343  
 PHONE 952-934-9918 FAX 952-975-2295

8/4

**PURCHASE ORDER**

TO: NATIONWIDE INT'L RESOURCES  
 2346 WESTWOOD BLVD.  
 LOS ANGELES, CA 90064

SHIP TO: WILL ADVISE

ORDERED BY:	TOM PETERS	PURCHASE ORDER NUMBER:	38737
DATE:	6-2-04	SHIP VIA:	BEST WAY
PAYMENT TERMS:	WIRE	F.O.B. POINT	CA

ITEM NO.	DESCRIPTION	UNIT	QTY.	UNIT COST	TOTAL AMOUNT
CP330	CANON COMPACT PHOTO PRINTER		2,140	\$202.30	\$432,922.00
D320	CANON DIGITAL COPIER/PRINTER		3,115	\$289.00	\$900,235.00
D340	CANON DIGITAL COPIER/PRINTER		3,250	\$325.10	\$1,056,575.00
FS4000US	CANON FILM SCANNER		2,360	\$794.75	\$1,875,610.00
<b>SUBTOTAL</b>					\$4,265,342.00
Shipping charges					
Handling charges					
Insurance					
Tax rate <input type="text"/> % Tax					\$0.00
<b>TOTAL DUE</b>					\$4,265,342.00

Your receipt and acceptance of this purchase price for the inventory which is the subject of this purchase order shall be deemed acknowledgment of the following: (i) all such inventory is being held by you solely for our account and subject to our instructions, with due care; (ii) you have no further rights in such inventory and will defend title to such inventory on our behalf as well as our successors and assigns; and (iii) all such inventory shall be specifically excluded from any and all liens and security interest in favor of your creditors.

6/3



**RECEIVABLE PARTICIPATION NOTE**

\$1,200,000.00

Minneapolis, Minnesota  
June 3, 2004

FOR VALUE RECEIVED, THOUSAND LAKES, LLC, a Delaware limited liability company (the "Borrower"), hereby promises to pay to LANCELOT INVESTORS FUND, L.P., a Delaware limited partnership, or its assigns (the "Lender"), to the account set forth below, the principal sum of ONE MILLION TWO HUNDRED THOUSAND AND 00/100 DOLLARS on the Maturity Date (as defined below).

The Borrower promises also to pay on the Maturity Date interest on the unpaid principal amount hereof in like money at said office from the date funds are advanced hereunder until paid at the rate of one and one half percent (1.50%) per month.

The "Maturity Date" is the first to occur of (1) November 30, 2004, or (2) the date that payments received by the Borrower on those certain Accounts arising from the sale of any Inventory purchased by Borrower in part with the proceeds of this Loan equal or exceed, in the aggregate, the unpaid principal and accrued interest on this Note.

This Note is one of the Notes referred to in that certain Master Loan Agreement dated as of October 11, 2002 (herein called the "Loan Agreement") among the Borrower, the Lenders party thereto from time to time, and RWB Services, LLC, as Administrative Agent, to which Loan Agreement and all agreements supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Borrower and the Lender and of the terms upon which this Note is delivered. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement. This Note is secured by and the Lender hereof is entitled to the benefits provided under the Loan Documents (as defined in the Loan Agreement). This Note is entitled to the benefits of the Corporate Guaranty and the Personal Guaranty (each as defined in the Loan Agreement). This Note is subject to prepayment prior to the Maturity Date, in whole or in part, at any time, without premium or penalty.

In the case of a default in payment of principal upon acceleration, upon redemption or repayment or at the Maturity Date, the overdue principal of this Note shall bear interest at a rate of one-tenth of one percent (0.10%) per calendar day accruing from the Maturity Date to the date payment of such principal has been made or duly provided for. In the event that the Maturity Date is not a Business Day, the principal otherwise payable on such Maturity Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date.

If an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note may become or be declared to be due and payable in the manner and with the effect provided in the Loan Agreement.

A0253.0005

The Borrower hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

No reference herein to the Loan Agreement and no provision of this Note or of the Loan Agreement shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The transfer of this Note is registrable in the register maintained by the Administrative Agent, upon surrender of this Note for registration of transfer in accordance with Article 8 of the Loan Agreement. Prior to due presentment of this Note for registration of transfer, the Borrower and Administrative Agent may treat the Person in whose name this Note is registered in such register as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Borrower nor the Administrative Agent shall be affected by notice to the contrary. This Note is a registered instrument. A manually signed copy of this Note shall be evidence of the Lender's rights and is not a bearer instrument.

This Note may be transferred only in accordance with the Loan Agreement, including without limitation, Section 8.15 of the Loan Agreement. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota. The venue, jurisdiction and jury trial waiver provisions set forth in the Loan Agreement are applicable to the Note as if fully set forth herein.

Payment of the principal of and interest, if any, on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Payment of the principal of and interest, if any, on this Note due on the Maturity Date will be made in immediately available funds on the Maturity Date (whether or not this Note has been presented), with such funds transferred by wire to the following account:

ABN AMRO  
Chicago, Illinois USA  
ABA [REDACTED]  
For: Lancelot Investors Fund, LP  
Account [REDACTED]

or such other account or place as the Administrative Agent shall direct the Borrower in writing.

*- Remainder of Page Intentionally Left Blank -*

[Signature Page Follows]

A0253.0006

IN WITNESS WHEREOF, the Borrower has caused this instrument to be duly executed.

**THOUSAND LAKES, LLC**

By   
Thomas J. Petters, President

\$1,200,000 Thousand Lakes Promissory Note

A0253.0007

**RECEIVABLE PARTICIPATION NOTE**

\$1,300,000.00

Minneapolis, Minnesota  
June 3, 2004

FOR VALUE RECEIVED, THOUSAND LAKES, LLC, a Delaware limited liability company (the "Borrower"), hereby promises to pay to LANCELOT INVESTORS FUND, L.P., a Delaware limited partnership, or its assigns (the "Lender"), to the account set forth below, the principal sum of ONE MILLION THREE HUNDRED THOUSAND AND 00/100 DOLLARS on the Maturity Date (as defined below).

The Borrower promises also to pay on the Maturity Date interest on the unpaid principal amount hereof in like money at said office from the date funds are advanced hereunder until paid at the rate of one and one half percent (1.50%) per month.

The "Maturity Date" is the first to occur of (1) November 30, 2004, or (2) the date that payments received by the Borrower on those certain Accounts arising from the sale of any Inventory purchased by Borrower in part with the proceeds of this Loan equal or exceed, in the aggregate, the unpaid principal and accrued interest on this Note.

This Note is one of the Notes referred to in that certain Master Loan Agreement dated as of October 11, 2002 (herein called the "Loan Agreement") among the Borrower, the Lenders party thereto from time to time, and RWB Services, LLC, as Administrative Agent, to which Loan Agreement and all agreements supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Borrower and the Lender and of the terms upon which this Note is delivered. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement. This Note is secured by and the Lender hereof is entitled to the benefits provided under the Loan Documents (as defined in the Loan Agreement). This Note is entitled to the benefits of the Corporate Guaranty and the Personal Guaranty (each as defined in the Loan Agreement). This Note is subject to prepayment prior to the Maturity Date, in whole or in part, at any time, without premium or penalty.

In the case of a default in payment of principal upon acceleration, upon redemption or repayment or at the Maturity Date, the overdue principal of this Note shall bear interest at a rate of one-tenth of one percent (0.10%) per calendar day accruing from the Maturity Date to the date payment of such principal has been made or duly provided for. In the event that the Maturity Date is not a Business Day, the principal otherwise payable on such Maturity Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date.

If an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note may become or be declared to be due and payable in the manner and with the effect provided in the Loan Agreement.

A0253.0008

The Borrower hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

No reference herein to the Loan Agreement and no provision of this Note or of the Loan Agreement shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The transfer of this Note is registrable in the register maintained by the Administrative Agent, upon surrender of this Note for registration of transfer in accordance with Article 8 of the Loan Agreement. Prior to due presentment of this Note for registration of transfer, the Borrower and Administrative Agent may treat the Person in whose name this Note is registered in such register as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Borrower nor the Administrative Agent shall be affected by notice to the contrary. This Note is a registered instrument. A manually signed copy of this Note shall be evidence of the Lender's rights and is not a bearer instrument.

This Note may be transferred only in accordance with the Loan Agreement, including without limitation, Section 8.15 of the Loan Agreement. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota. The venue, jurisdiction and jury trial waiver provisions set forth in the Loan Agreement are applicable to the Note as if fully set forth herein.

Payment of the principal of and interest, if any, on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Payment of the principal of and interest, if any, on this Note due on the Maturity Date will be made in immediately available funds on the Maturity Date (whether or not this Note has been presented), with such funds transferred by wire to the following account:

ABN AMRO  
Chicago, Illinois USA  
ABA [REDACTED]  
For: Lancelot Investors Fund, LP  
Account # [REDACTED]

or such other account or place as the Administrative Agent shall direct the Borrower in writing.

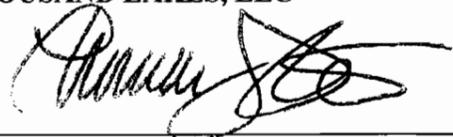
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[Signature Page Follows]

A0253.0009

IN WITNESS WHEREOF, the Borrower has caused this instrument to be duly executed.

**THOUSAND LAKES, LLC**

By   
Thomas J. Petters, President

\$1,300,000 Thousand Lakes Promissory Note

A0253.0010

## RECEIVABLE PARTICIPATION NOTE

\$600,000.00

Minneapolis, Minnesota  
June 3, 2004

FOR VALUE RECEIVED, THOUSAND LAKES, LLC, a Delaware limited liability company (the "Borrower"), hereby promises to pay to LANCELOT INVESTORS FUND, L.P., a Delaware limited partnership, or its assigns (the "Lender"), to the account set forth below, the principal sum of SIX HUNDRED THOUSAND AND 00/100 DOLLARS on the Maturity Date (as defined below).

The Borrower promises also to pay on the Maturity Date interest on the unpaid principal amount hereof in like money at said office from the date funds are advanced hereunder until paid at the rate of one and one half percent (1.50%) per month.

The "Maturity Date" is the first to occur of (1) November 30, 2004, or (2) the date that payments received by the Borrower on those certain Accounts arising from the sale of any Inventory purchased by Borrower in part with the proceeds of this Loan equal or exceed, in the aggregate, the unpaid principal and accrued interest on this Note.

This Note is one of the Notes referred to in that certain Master Loan Agreement dated as of October 11, 2002 (herein called the "Loan Agreement") among the Borrower, the Lenders party thereto from time to time, and RWB Services, LLC, as Administrative Agent, to which Loan Agreement and all agreements supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Borrower and the Lender and of the terms upon which this Note is delivered. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement. This Note is secured by and the Lender hereof is entitled to the benefits provided under the Loan Documents (as defined in the Loan Agreement). This Note is entitled to the benefits of the Corporate Guaranty and the Personal Guaranty (each as defined in the Loan Agreement). This Note is subject to prepayment prior to the Maturity Date, in whole or in part, at any time, without premium or penalty.

In the case of a default in payment of principal upon acceleration, upon redemption or repayment or at the Maturity Date, the overdue principal of this Note shall bear interest at a rate of one-tenth of one percent (0.10%) per calendar day accruing from the Maturity Date to the date payment of such principal has been made or duly provided for. In the event that the Maturity Date is not a Business Day, the principal otherwise payable on such Maturity Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date.

If an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note may become or be declared to be due and payable in the manner and with the effect provided in the Loan Agreement.

A0253.0011

The Borrower hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

No reference herein to the Loan Agreement and no provision of this Note or of the Loan Agreement shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The transfer of this Note is registrable in the register maintained by the Administrative Agent, upon surrender of this Note for registration of transfer in accordance with Article 8 of the Loan Agreement. Prior to due presentment of this Note for registration of transfer, the Borrower and Administrative Agent may treat the Person in whose name this Note is registered in such register as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Borrower nor the Administrative Agent shall be affected by notice to the contrary. This Note is a registered instrument. A manually signed copy of this Note shall be evidence of the Lender's rights and is not a bearer instrument.

This Note may be transferred only in accordance with the Loan Agreement, including without limitation, Section 8.15 of the Loan Agreement. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota. The venue, jurisdiction and jury trial waiver provisions set forth in the Loan Agreement are applicable to the Note as if fully set forth herein.

Payment of the principal of and interest, if any, on this Note will be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Payment of the principal of and interest, if any, on this Note due on the Maturity Date will be made in immediately available funds on the Maturity Date (whether or not this Note has been presented), with such funds transferred by wire to the following account:

ABN AMRO  
Chicago, Illinois USA  
ABA [REDACTED]  
For: Lancelot Investors Fund, LP  
Account [REDACTED]

or such other account or place as the Administrative Agent shall direct the Borrower in writing.

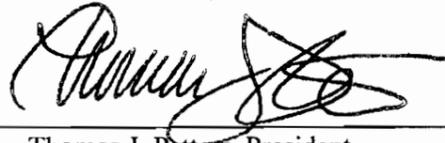
*- Remainder of Page Intentionally Left Blank -*

[Signature Page Follows]

A0253.0012

IN WITNESS WHEREOF, the Borrower has caused this instrument to be duly executed.

**THOUSAND LAKES, LLC**

By   
Thomas J. Petters, President

\$600,000 Thousand Lakes Promissory Note

A0253.0013

## ASSIGNMENT AGREEMENT

This Assignment Agreement (this "Agreement") is entered into as of June 2, 2004, by and between PETERS COMPANY, INC., a Minnesota corporation with its principal place of business and chief executive office located at 7585 Equitable Drive, Eden Prairie, Minnesota 55344 ("Assignor"), and THOUSAND LAKES, LLC., a Delaware limited liability company with its principal place of business and chief executive office located at 4400 Baker Road, Suite 200, Minnetonka, Minnesota 55343 ("Assignee").

### I. RECITALS

A. Assignee, RWB Services LLC, as administrative agent, and the various lenders ("Lenders") have entered into that certain Master Loan Agreement, dated as of October 11, 2002 (the "Master Loan Agreement"), pursuant to which Lenders may provide to Assignee financing for certain transactions as set forth on the Assignment Schedule attached as Exhibit A hereto (each an "Inventory Sale"), involving Assignee's purchase of inventory financed by Lenders (the "Financed Inventory") from vendors (each a "Seller") and Assignee's contemporaneous resale of the Financed Inventory to major retailers or other resellers (each a "Buyer").

B. Assignor (rather than Assignee) was the party that initially accepted a purchase order to sell such Financed Inventory to a Buyer. Assignor took such actions with the understanding that, if Assignee was successful in arranging financing with Lenders with respect to the Inventory Sales, Assignor would assign to Assignee all of Assignor's right, title and interest in or with respect to the Inventory Sales, on the terms and conditions set forth in this Agreement, and Assignee shall perform and complete such assigned Inventory Sales.

### II. AGREEMENT

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignments from Assignor to Assignee.

(a) Completion of Assignment Schedule. For each Inventory Sale financed by Lenders pursuant to the Master Loan Agreement, Assignor and Assignee has completed, executed and hereby delivers an Assignment Schedule which Assignment Schedule identifies the Inventory Sale. Such Assignment Schedule is attached hereto as Exhibit A.

(b) Assignment of Rights. This Agreement and each such Assignment Schedule evidences and constitutes the absolute sale, transfer and assignment to Assignee of all of Assignor's right, title and interest in or with respect to such Inventory Sale, including, without limitation, all accounts and other rights to payment and all payments received and monies due or to become due in connection therewith, all of Assignor's rights and remedies as an unpaid seller under the Uniform Commercial Code and other applicable law, including the rights of stoppage in transit, replevin, reclamation, and claim and delivery, all of Assignor's rights in and to all

A0253.0014

security for and guaranties thereof, all documents, chattel paper and general intangibles related thereto, and all other rights against the Seller, the Buyer or any third parties with respect thereto.

(c) **Assumption of Obligations.** This Agreement and each Assignment Schedule also evidences and constitutes an assumption by Assignee of all of Assignor's obligations with respect to the Inventory Sales.

(d) **No Other Assignments.** Assignor and Assignee acknowledge and agree that the assignment made hereby is only with respect to the Inventory Sales.

2. **Successors and Assigns; Lenders as Third-Party Beneficiaries.** This Agreement and each Assignment Schedule shall be binding on and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns. Assignor and Assignee agree that Lenders are third-party beneficiaries of, and entitled to enforce, all rights of Assignee under this Agreement, and that this Agreement may not be amended without the prior written consent of RWB Services, LLC, as administrative agent for Lenders.

3. **Representations and Warranties.** Assignor represents and warrants that it has good title to the Inventory Sales, free and clear of any liens or encumbrances. Assignor will indemnify, defend and hold Assignee harmless from any claims or demands of any nature, including attorneys' fees and costs, whether such claims or demands be valid or not, which allege a set of facts which, if true, would constitute a breach of these representations and warranties.

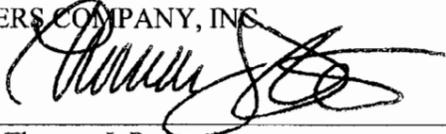
4. **Security Interest.** In the event that notwithstanding the intentions of the parties, any Inventory Sale is deemed to not have been assigned under this Agreement by Assignor to Assignee, and to secure the prompt and complete payment, performance and observance of Assignee's and Assignor's obligations to Lenders under the Master Loan Agreement and the Loan Documents (as defined therein), Assignor hereby grants to Lenders, through Assignee, a security interest in such Inventory Sale and all accounts, Financed Inventory, documents, chattel paper and general intangibles related thereto, and to the extent not otherwise included, all proceeds and substitutions and replacements for each of the foregoing. To perfect such security interest, Assignee and Lenders, separately or together, may file a financing statement substantially in the form of Exhibit B attached hereto with respect to the Inventory Sales.

5. **Miscellaneous.** In the event that any provision of this Agreement is held to be invalid or unenforceable, this Agreement will be construed as not containing such provision and the remainder of the Agreement shall remain in full force and effect. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota without giving effect to principles of conflicts of law.

IN WITNESS WHEREOF, Assignor and Assignee have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

PETERS COMPANY, INC

By: \_\_\_\_\_

  
Thomas J. Petters  
President

THOUSAND LAKES LLC

By: \_\_\_\_\_

  
Thomas J. Petters  
President

**Exhibit A**

**Assignment Schedule**

This Assignment Schedule is made by PETERS COMPANY, INC. ("Assignor") and THOUSAND LAKES LLC ("Assignee") pursuant to the Assignment Agreement between them dated as of June 2, 2004. This Assignment Schedule is in addition to, and is not in substitution for, all other Assignment Schedules given under this or any other Assignment Agreement. This particular Assignment Schedule documents the Inventory Sale assigned by Assignor pursuant to the June 2, 2004 financing.

The following Inventory Sale is assigned by Assignor to Assignee:

Buyer Name: National Distributors

Buyer Purchase Orders:

Purchase Order Number

Purchase Order Date

~~XXXXXXXXXX~~

06/02/04

PETERS COMPANY, INC.

By: \_\_\_\_\_  
Its: \_\_\_\_\_



Dated: June 2, 2004

THOUSAND LAKES LLC

By: \_\_\_\_\_  
Its: \_\_\_\_\_



Dated: June 2, 2004

A0253.0017

**Notice of Request for Loan**

RWB Services, LLC  
1033 Skokie Boulevard  
Suite 150  
Northbrook, IL 60062

Attention: Mr. Greg Bell

The undersigned is the Borrower under that certain Master Loan Agreement, dated October 11, 2002 (as the same has been and may hereafter be amended, modified or supplemented from time to time, herein called the "Agreement;" capitalized terms not otherwise defined herein being used as therein defined) among THOUSAND LAKES, LLC (the "Borrower"), the Lenders party thereto from time to time, and RWB Services LLC, as Administrative Agent (the "Administrative Agent").

The Borrower hereby reaffirms all representations and warranties in the Agreement and certifies as follows:

- (1) That such representations and warranties shall be true and correct, as though made on the Closing Date both before and after giving effect to such Loan;
- (2) That no Default or Event of Default has occurred and is continuing; that the Loan shall be for the sole purpose of making payment on an invoice for merchandise being acquired for Borrower's inventory;
- (3) The proposed Closing Date of the Loan is June 3, 2004, and the amount of the Loan request is Three Million One Hundred Thousand and 00/100 Dollars (\$3,100,000.00);
- (4) Attached as Exhibit 1 is a complete copy (including all attachments and schedules) of the purchase order duly and validly issued by Borrower to each merchandise vendor that will be paid in part with the proceeds of the Loan;
- (5) The Borrower reaffirms that the merchandise vendor is not a Related Party of the Borrower or any Guarantor;
- (6) Set forth below are wire transfer instructions for direct payment of the Loan to the account of each merchandise vendor that will be paid in part with the proceeds of the Loan:

Request For Loan – June 3, 2004

A0253.0018

\$3,100,000.00 to Nationwide International Resources, Inc.  
First Regional Bank  
1801 Century Park East  
Los Angeles, CA 90061  
ABA [REDACTED]  
Acct [REDACTED]

Borrower directs and authorizes Lender to wire loan proceeds directly to vendors pursuant to above instructions and acknowledges that wiring of the funds to vendors shall constitute constructive receipt of the loan proceeds by Borrower.

(7) The locations of the merchandise to be purchased with the Loan, including street address are:

Nationwide:  
Canon Office Equipment  
830 Traction Avenue  
Los Angeles, California, 90013

(8) The Borrower acknowledges that the amount of such Loan shall not exceed eighty percent (80%) of the Borrower's cost of merchandise to be purchased with such funds;

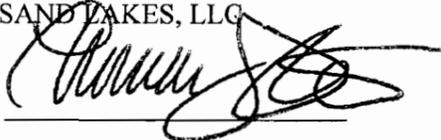
(9) Attached as Exhibit 2 is a complete copy (including all attachments and schedules) of the purchase order(s) received by Borrower from its customer(s) pursuant to which Borrower is selling all merchandise to be purchased from such vendor; and

(10) Upon its purchase by the Borrower, the merchandise will be Eligible Inventory.

*- Remainder of Page Intentionally Left Blank -  
[Signature Page Follows]*

This Request for Loan is executed as of the below date by:

THOUSAND LAKES, LLC

By:   
Title: \_\_\_\_\_

Dated: June 3, 2004

Each of the undersigned Guarantors acknowledges that the Note evidencing the Loan is guaranteed by the Guaranty dated October 11, 2002.

  
\_\_\_\_\_  
Thomas J. Petters

Petters Company, Inc.  
  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Exhibit 1**

**Borrower Purchase Orders To Vendors**

(ATTACHED)

Request For Loan – June 3, 2004

A0253.0021

**Exhibit 2**

**Purchase Orders Received By Borrower From Buyer**

(ATTACHED)

Request For Loan – June 3, 2004

A0253.0022