

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

1. NAME OF COMMITTEE (In Full)

BRADY FOR CONGRESS	
ADDRESS (number and street) PO BOX B277	<input type="checkbox"/> Check if different than previously reported.
CITY, STATE and ZIP CODE THE WOODLANDS, TX 77387	STATE/DISTRICT TX/8

RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

2. FEC IDENTIFICATION NUMBER
000311043

3. IS THIS REPORT AN AMENDMENT?
 YES NO

4. TYPE OF REPORT

- | | |
|---|--|
| <input type="checkbox"/> April 15 Quarterly Report
<input type="checkbox"/> July 15 Quarterly Report
<input type="checkbox"/> October 15 Quarterly Report
<input type="checkbox"/> January 31 Year End Report
<input type="checkbox"/> July 31 Mid-Year Report (Non-election Year Only) | <input type="checkbox"/> Twelfth day report preceding _____ (Type of Election)
election on _____ In the State of _____
<input checked="" type="checkbox"/> Thirtieth day report following the General Election on
<u>Nov. 3</u> in the State of <u>Texas</u>
<input type="checkbox"/> Termination Report |
|---|--|

This report contains activity for: Primary Election General Election Special Election Runoff Election

SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-date
10/15/98 through 11/23/98		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	\$22375.00	\$343574.30
(b) Total Contribution Refunds (From Line 20(d))	\$0.00	\$1000.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	\$22375.00	\$342574.30
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	\$40164.51	\$213225.49
(b) Total Offsets to Operating Expenditures (from Line 14)	\$0.00	\$671.03
(c) Net Operating Expenditures (Subtract Line 7(b) from 7(a))	\$40164.51	\$212554.46
8. Cash on Hand at Close of Reporting Period (from Line 27)	\$23025.12	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)		
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	38,500.00	

For further information:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-219-3420

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer W. R. EISSLER	Date 12-3-98
Signature of Treasurer 	

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to penalties of 2 U.S.C. §437g.

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Detailed Summary Page

of Receipts and Disbursements

(Page 2, FEC FORM 3)

Name of Committee (in full) BRADY FOR CONGRESS	Report Covering the Period:	
	From: 10/15/98	To: 11/23/98
I. RECEIPTS	Column A Total This Period	Column B Calendar Year-To-Date
11. CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (Use Schedule A)	\$3250.00	
(ii) Unitemized	\$125.00	
(iii) Total of contributions from individual	\$3375.00	\$179703.69
(b) Political Party Committees	\$0.00	\$0.00
(c) Other Political Committees (such as PACs)	\$19000.00	\$163870.61
(d) The Candidate	\$0.00	\$0.00
(e) TOTAL CONTRIBUTIONS (other than loans)(add 11(a)(i), (b), (c) and (d))	\$22975.00	\$343574.30
12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	\$0.00	\$0.00
13. LOANS:		
(a) Made or Guaranteed by the Candidate	\$25000.00	\$25000.00
(b) All Other Loans	\$0.00	\$0.00
(c) TOTAL LOANS (add 13(a) and (b))	\$25000.00	\$25000.00
14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	\$0.00	\$671.03
15. OTHER RECEIPTS (Dividends, Interest, etc.)	\$0.00	\$0.00
16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	\$47375.00	\$368245.33
II. DISBURSEMENTS		
17. OPERATING EXPENDITURES	\$40164.51	\$213225.49
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	\$0.00	\$0.00
19. LOAN REPAYMENTS:		
(a) Of Loans Made or Guaranteed by the Candidate	\$25370.69	\$25370.69
(b) Of All Other Loans	\$0.00	\$0.00
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	\$25370.69	\$25370.69
20. REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees	\$0.00	\$1000.00
(b) Political Party Committees	\$0.00	\$0.00
(c) Other Political Committees (such as PACs)	\$0.00	\$0.00
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	\$0.00	\$1000.00
21. OTHER DISBURSEMENTS	\$0.00	\$127783.75
22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	\$65535.20	\$367379.93
III. CASH SUMMARY		
23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD		\$41185.32
24. TOTAL RECEIPTS THIS PERIOD (from Line 16)		\$47375.00
25. SUBTOTAL (add Line 23 and Line 24)		\$88560.32
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 16)		\$65535.20
27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)		\$23025.12

SCHEDULE A
 CONTRIBUTIONS FROM INDIVIDUALS/PERSONS

NAME OF COMMITTEE (in Full)
 BRADY FOR CONGRESS CD0311041

Any information copied from such Reports and Statements may not be sold or used by any person for the purposes of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Full Name Mailing Address	Name of Employer Occupation	Date MM/DD/YY	Amount
Carol J. Collins 7 Switchbud Place The Woodlands, TX 77380- Receipt for [X]'98 General	self employed Executive	11/03/98	\$250.00
Aggregate YTD >			\$1000.00
Dairy Farmers PAC 3253 E. Chestnut Expressway Springfield, MO 65802- Receipt for [X]'98 General	No Recorded Employer No Recorded Occupation	10/22/98	\$1000.00
Aggregate YTD >			\$1000.00
Betty J. Edwards, M. D. 13438 Belhaven Dr. Houston, TX 77069- Receipt for [X]'98 General	self employed Physician	10/21/98	\$1000.00
Aggregate YTD >			\$1000.00
Joe Sanderson 2210 Old Bay Springs Rd. Laurel, MS 39440- Receipt for [X]'98 General	Sanderson Farms, Inc. Owner	11/02/98	\$1500.00
Aggregate YTD >			\$1500.00
SUBTOTAL of Receipts This Page.....>			\$3250.00
TOTAL This Period.....>			\$3250.00

SCHEDULE A ITEMIZED RECEIPTS
 Contributions from other Political Committees

NAME OF COMMITTEE (in Full)
 BRADY FOR CONGRESS C0331343

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Full Name Mailing Address	Name of Employer Occupation	Date MM/DD/YY	Amount
Americans For Free International Trade 112 South West Street, Suite 310 Ms. Mary Madagan Alexandria, VA 22314-		11/03/98	\$1000.00
Receipt for [X]'98 General	Aggregate YTD >		\$2000.00
Austin Industries PAC P.O. Box 1590 Henry Kelly Dallas, TX 75221-		10/22/98	\$1000.00
Receipt for [X]'98 General	Aggregate YTD >		\$1000.00
CONOMA Vista Effective Govt. Fund 900 Threadneedle Mr. Robert R. Whitlow, Jr. Houston, TX 77079-		10/21/98	\$500.00
Receipt for [X]'98 General	Aggregate YTD >		\$500.00
Deloitte & Touche PAC 1301 Pennsylvania Avenue, N.W., Suite 350N Wade Williams Washington, DC 20004-		11/02/98	\$500.00
Receipt for [X]'98 General	Aggregate YTD >		\$500.00
DuPont Good Government Fund 1701 Penn. Ave., NW Suite 900 Attn: Rod MacAlister Washington, DC 20006-		10/21/98	\$500.00
Receipt for [X]'98 General	Aggregate YTD >		\$500.00
Ernst & Young PAC 1225 Connecticut Avenue, N.W., Ste 600 Attn: KC Tomlinovich Washington, DC 20036-		11/02/98	\$500.00
Receipt for [X]'98 General	Aggregate YTD >		\$1000.00
Harrah's Entertainment, Inc. PAC 1023 Cherry Road Gary L. Burhop, VP Corp. Relations Memphis, TN 38117-		10/21/98	\$1000.00
Receipt for [X]'98 General	Aggregate YTD >		\$1000.00
SUBTOTAL of Receipts This Page.....>			\$5000.00
TOTAL This Period.....>			

NAME OF COMMITTEE (in Full)
 BRADY FOR CONGRESS C00311043

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Full Name Mailing Address	Name of Employer Occupation	Date MM/DD/YY	Amount
Majority Leaders Fund P.O. Box 995 Congressman Dick Armey Lewisville, TX 75067- Receipt for [X]'98 General	Aggregate YTD >	11/02/98	\$5000.00
Natl. Society of Professional Engineers 11821 I-10 East Freeway Suite 400 Mr. R. Wayne Smith Houston, TX 77029- Receipt for [X]'98 General	Aggregate YTD >	11/03/98	\$1000.00
National Stone Assn. Stone PAC 1415 Elliot Place NW Attn: William Kelleher Washington, DC 20007- Receipt for [X]'98 General	Aggregate YTD >	11/02/98	\$1000.00
National Rifle Association of America Federal Affairs Division 410 First Street, S.E., 2nd Floor Mr. Michael E. Williams Washington, DC 20003- Receipt for [X]'98 General	Aggregate YTD >	10/21/98	\$500.00
Michael G. Oxley P. O. Box 1998 Pindlay, OH 45639- Receipt for [X]'98 General	Aggregate YTD >	10/21/98	\$1000.00
Realtors PAC 700 11th Street, NW James L. Gregory Washington, DC 20001- Receipt for [X]'98 General	Aggregate YTD >	10/21/98	\$2500.00
The National PAC 600 Penn Ave, SE #207 Washington, TX 20003- Receipt for [X]'98 General	Aggregate YTD >	11/03/98	\$2500.00
Trinity Ind. PAC PO Box 568887 Linda Sickels Dallas, TX 75356-8887 Receipt for [X]'98 General	Aggregate YTD >	10/21/98	\$500.00
SUBTOTAL of Receipts This Page.....>			\$14000.00
TOTAL This Period.....>			\$19000.00

NAME OF COMMITTEE (in Full)
 BRADY FOR CONGRESS C00311043

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Full Name Mailing Address	Name of Employer Occupation	Date MM/DD/YY	Amount
Kevin Brady P.O. Box 8277 The Woodlands, TX 77380- Receipt for [X]'98 General	<i>U.S. Post U.S. Congressman</i>	10/19/98	\$25000.00
Aggregate YTD >			\$25000.00
SUBTOTAL of Receipts This Page.....>			\$25000.00
TOTAL This Period.....>			\$25000.00

NAME OF COMMITTEE (in Full)
GRADY FOR CONGRESS C00311043

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Full Name Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
American Express	Baseball PR supplies	10/16/98	\$813.16
	Disbursement for [X]'98 General		
ASAP Print Services 1212 North Vernon Street Arlington, VA 22201-	printing	11/01/98	\$2420.50
	Disbursement for [X]'98 General		
Astrodomo P.O. Box 1691 Houston, TX 77261-	room rental	10/16/98	\$83.07
	Disbursement for [X]'98 General		
Babin for Congress 320 First St., SE Washington, DC 20003-	contribution	10/30/98	\$1000.00
	Disbursement for [X]'98 General		
Bill Radland for Con 320 First St., SE Washington, DC 20003-	contribution	10/30/98	\$1000.00
	Disbursement for [X]'98 General		
Chabot for Congress 320 First St., SE Washington, DC 20003-	contribution	10/30/98	\$1000.00
	Disbursement for [X]'98 General		
David Bray 4212 San Felipe, #398 Houston, TX 77027-	photography	10/16/98	\$407.13
	Disbursement for [X]'98 General		
Kindra Sefner 4515 Tall Ridge Court Kingwood, TX 77345-	Management Fee	10/16/98	\$1500.00
	Disbursement for [X]'98 General		
Kindra Sefner 4515 Tall Ridge Court Kingwood, TX 77345-	Management Fee	11/01/98	\$1500.00
	Disbursement for [X]'98 General		
Kindra Sefner 4515 Tall Ridge Court Kingwood, TX 77345-	Management Fee	11/15/98	\$1500.00
	Disbursement for [X]'98 General		
Hostettler Campaign 320 First St., SE Washington, DC 20003-	contribution	10/30/98	\$250.00
	Disbursement for [X]'98 General		
SUBTOTAL of Disbursements This Page.....>			\$11355.96
TOTAL This Period.....>			

SCHEDULE B
Operating Expenditures

ITEMIZED DISBURSEMENTS

NAME OF COMMITTEE (in Full)
BRADY FOR CONGRESS C00311043

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Full Name Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
Houston Cellular P.O. Box 660732 Dallas, TX 75200-	phone Disbursement for [X]'98 General	11/01/98	\$39.53
International Mail PO Box 230229 Gary Blanchard Houston, TX 77223-	postage Disbursement for [X]'98 General	10/16/98	\$1143.72
Nancy Bocskor & Asso 1212 North Vernon St. Nancy Bocskor Arlington, VA 22201-	fundraising fee Disbursement for [X]'98 General	11/01/98	\$1500.00
Nancy Bocskor & Asso 1212 North Vernon St. Nancy Bocskor Arlington, VA 22201-	supplies Disbursement for [X]'98 General	11/01/98	\$107.23
National Republican Congressional Commi contribution 320 First Street S.W. John Linder, Chairman Washington, DC 20003-	Disbursement for [X]'98 General	10/19/98	\$25000.00
Postmaster Lakelront Circle The Woodlands, TX 77380-	postage Disbursement for [X]'98 General	10/20/98	\$500.00
Southwestern Bell 712 E. Hurlland Room 209 Austin, TX 78752-	phone Disbursement for [X]'98 General	10/30/98	\$121.04
SUBTOTAL of Disbursements This Page.....>			\$28422.52
TOTAL This Period.....>			\$39978.38

NAME OF COMMITTEE (in Full)
BRADY FOR CONGRESS C00311043

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Full Name Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
Bank One PO Box 2629 Houston, TX 77252-	interest payment Disbursement for [X]2000 Primary	11/10/98	\$217.64
Bank One PO Box 2629 Houston, TX 77252-	interest payment Disbursement for [X]2000 Primary	11/14/98	\$153.05
Bank One PO Box 2629 Houston, TX 77252-	loan payoff Disbursement for [X]2000 Primary	11/14/98	\$25000.00
SUBTOTAL of Disbursements This Page.....>			\$25370.69
TOTAL This Period.....>			\$25370.69

LOANS

Name of Committee (in Full) Brady for Congress

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
<u>Bank One, Texas 1400 Woodlock Forest Woodlands, TX 77380</u>	<u>25,000.00</u>	<u>25,370.69</u>	<u>- / -</u>

Election: Primary General Other (specify):
 Terms: Date Incurred 10-78 Date Due 10-16-99 Interest Rate 10.25% (apr) Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
<u>KEVIN BRADY P.O. BOX 8277 WOODLANDS, TX 77387</u>	<u>U.S. Government</u>	<u>U.S. CONGRESSMAN</u>	<u>\$ - 0 -</u>
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period

Election: Primary General Other (specify):
 Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (apr) Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:

SUBTOTALS This Period This Page (optional)

TOTALS This Period (last page in this line only)

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) <i>Brady for Congress</i>	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
A. Full Name, Mailing Address and ZIP Code of Debtor or Creditor <i>KINDRA HEFNER 4515 TALL RIDGE CT KINGWOOD, TX 77345</i>	<i>38,500.00</i>	<i>- 0 -</i>	<i>- 0 -</i>	<i>38,500.00</i>
Nature of Debt (Purpose): <i>CONSULTING</i>				
B. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				
2) TOTALS This Period (last page in this line only)				<i>38,500.00</i>
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

BANK ONE**ASSIGNMENT OF DEPOSIT ACCOUNT**

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or term.

Borrower: KEVIN PATRICK BRADY
11411 BLAHPINE PLACE
THE WOODLANDS, TX 77380

Lender: Bank One, Texas, N.A.
Woodlands Banking Center - Woodlands
1400 Woodlock Forest
Woodlands, TX 77380

THIS ASSIGNMENT OF DEPOSIT ACCOUNT is entered into by KEVIN PATRICK BRADY (referred to below as "Grantor") for the benefit of Bank One, Texas, N.A. (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor assigns, pledges and grants to Lender a security interest in all of Grantor's rights, title and interest in the Collateral, including without limitation the Account described below, to secure the indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

DEFINITIONS. The following words shall have the following meanings when used in this Agreement. Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code as adopted in the State of Texas (the "Code"). All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Account. The word "Account" means the deposit account described below in the definition for "Collateral."

Agreement. The word "Agreement" means this Assignment of Deposit Account, as this Assignment of Deposit Account may be amended or modified from time to time, together with all exhibits and schedules attached to this Assignment of Deposit Account from time to time.

Collateral. The word "Collateral" means the following described deposit account:

CERTIFICATE OF DEPOSIT #: 1868047771 issued by Lender in an amount not less than \$25,000.00

together with (a) all interest, whether now accrued or hereafter accruing on the Account; (b) all additional deposits hereafter made to the Account; (c) all instruments, certificates, passbooks, documents, agreements and other writings evidencing the Account; (d) all records relating to the Account; and (e) all renewals, replacements and substitutions for any of the foregoing.

Event of Default. The words "Event of Default" mean and include any of the Events of Default set forth below in the section titled "Events of Default."

Grantor. The word "Grantor" means KEVIN PATRICK BRADY.

Guarantor. The word "Guarantor" means and includes without limitation, each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note, including all principal and accrued interest thereon, together with all other liabilities, costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. In addition, the word "Indebtedness" includes all other obligations, debts and liabilities, plus any accrued interest thereon, owing by Grantor, or any one or more of them, to Lender of any kind or character, now existing or hereafter arising, as well as all present and future claims by Lender against Grantor, or any one or more of them, and all renewals, substitutions, modifications, substitutions and rearrangements of any of the foregoing; whether such indebtedness arises by note, draft, acceptance, guaranty, endorsement, letter of credit, assignment, overdraft, indemnity agreement or otherwise; whether such indebtedness is voluntary or involuntary, due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated; whether Grantor may be liable individually or jointly with others; whether Grantor may be liable primarily or secondarily or as debtor, maker, comaker, drawer, endorser, guarantor, surety, accommodation party or otherwise.

Lender. The word "Lender" means Bank One, Texas, N.A., its successors and assigns.

Note. The word "Note" means the promissory note dated October 17, 1988, in the principal amount of \$25,000.00 from KEVIN PATRICK BRADY to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for such promissory note.

Related Documents. The words "Related Documents" mean and include without limitation the Note and all credit agreements, loan agreements, subordination agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Note.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. With respect to the Collateral, Grantor represents and warrants to Lender that:

Ownership. Grantor is the lawful owner of the Collateral free and clear of all loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Grant Assignment and Security Interest. Grantor has the full right, power, and authority to enter into this Agreement and to assign and grant a security interest in the Collateral to Lender.

No Further Transfer. Grantor shall have no right to withdraw, possess or control the Collateral or any funds in the Account and agrees not to sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Collateral.

No Defaults. There are no defaults relating to the Collateral, and there are no effects of counterclaims to the same. Grantor will do everything required of Grantor under the terms, conditions, promises, and agreements contained in or relating to the Collateral.

Proceeds. Any and all replacement or renewal certificates, instruments, or other benefits or proceeds related to the Collateral that are received by Grantor shall be held by Grantor in trust for Lender and immediately shall be delivered by Grantor to Lender to be held as part of the Collateral.

Solvency. Grantor further represents and warrants that, as of the date hereof, and after giving effect to this Agreement and the completion of all other transactions contemplated by Grantor at the time of the execution of this Agreement, (i) Grantor is and will be solvent, (ii) the fair market value of Grantor's assets exceeds and will continue to exceed Grantor's liabilities (both fixed and contingent), (iii) Grantor is paying and will continue to pay Grantor's debts as they mature, and (iv) if Grantor is not an individual, Grantor has and will have sufficient capital to carry on Grantor's businesses and all businesses in which Grantor is about to engage.

Non-Release. The lien, security interest and other security rights of Lender hereunder shall not be impaired by any indulgence, moratorium or release granted by Lender, including but not limited to, the following: (a) any renewal, extension, increase or modification of any of the indebtedness; (b) any surrender, compromise, release, renewal, extension, exchange or substitution granted in respect of any of the Collateral; (c) any release or indulgence granted to any endorser, guarantor or surety of any of the indebtedness; (d) any release of any other collateral for any of the indebtedness; (e) any acquisition of any additional collateral for any of the indebtedness; and (f) any waiver or failure to exercise any right, power or remedy granted herein, by law or in any of the Related Documents.

LENDER'S RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLLATERAL. While this Agreement is in effect, Lender shall retain the right to possession of the Collateral, together with any and all evidence of the Collateral, such as certificates or passbooks. Lender shall use ordinary reasonable care in the physical preservation and custody of any certificate or passbook for the Collateral but shall have no other obligation to protect the Collateral or its value. This Agreement will remain in effect until all of the following have been satisfied: (a) there no longer is any indebtedness owing to Lender; (b) all other obligations and commitments secured by this Agreement have been fulfilled, expired or terminated; and (c) Lender's receipt of a written request from Grantor for the termination hereof.

EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Default on Indebtedness. Failure of Grantor to make any payment when due on the indebtedness.

Other Defaults. Failure of Grantor to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, the Note, any of the other Related Documents or in any other agreement now existing or hereafter arising between Lender and Grantor.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase

BANK ONE**PROMISSORY NOTE**

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or term.

Borrower: KEVIN PATRICK BRADY
11411 SLASHLINE PLACE
THE WOODLANDS, TX 77380

Lender: Bank One, Texas, N.A.
Woodlands Banking Center - Woodlands
1400 Woodloch Forest
Woodlands, TX 77380

Principal Amount: \$25,000.00

Date of Note: October 17, 1998

PROMISE TO PAY. For value received, KEVIN PATRICK BRADY ("Borrower") promises to pay to Bank One, Texas, N.A. ("Lender"), or order, its lawful attorney of the United States of America, the principal amount of Twenty Five Thousand & 00/100 Dollars (\$25,000.00), together with interest at the rate of 10.250% per annum on the unpaid principal balance from the date advanced until paid in full.

PAYMENT. This Note shall be payable as follows: Interest shall be due and payable monthly as it accrues, commencing on November 16, 1998 and continuing on the same day of each month thereafter during the term of this Note, and the outstanding principal balance of this Note, together with all accrued but unpaid interest, shall be due and payable on October 16, 1999. Interest on this Note is computed on a 365/365 simple interest basis that is, by applying the ratio of the annual interest rate over the number of days in a year (365 during leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at the address designated by Lender from time to time in writing. If any payment of principal or interest on this Note shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which national banking associations are authorized to be closed. Unless otherwise agreed to, in writing, or otherwise required by applicable law, payments will be applied first to accrued, unpaid interest, then to principal, and any remaining amount to any unpaid collection costs, late charges and other charges, provided, however, upon delinquency or other default, Lender reserves the right to apply payments among principal, interest, late charges, collection costs and other charges at its discretion. The books and records of Lender shall be prima facie evidence of all outstanding principal and accrued but unpaid interest on this Note. If this Note is governed by or is executed in connection with a loan agreement, this Note is subject to the terms and provisions thereof.

PREPAYMENT. Borrower may pay without premium or fee all or a portion of the principal amount owed hereunder earlier than it is due. All prepayments shall be applied to the indebtedness owing hereunder in such order and manner as Lender may from time to time determine in its sole discretion.

LATE CHARGES. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$25.00, whichever is greater, up to the maximum amount of \$250.00 per late charge.

POST MATURITY RATE. The Post Maturity Rate on this Note is 13.250% per annum. Borrower will pay interest on all sums due after final maturity, whether by acceleration or otherwise, at that rate, with the exception of any amounts added to the principal balance of this Note based on Lender's payment of insurance premiums, which will continue to accrue interest at the pre-maturity rate.

DEFAULT. Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment of principal or interest when due under this Note or any other indebtedness owing now or hereafter by Borrower to Lender; (b) failure of Borrower or any other party to comply with or perform any terms, obligations, covenants or conditions contained in this Note or in any other promissory note, credit agreement, loan agreement, guaranty, security agreement, mortgage, deed of trust or any other instrument, agreement or document, whether now or hereafter existing, executed in connection with this Note (this Note and all such other instruments, agreements, and documents shall be collectively known herein as the "Related Documents"); (c) Any representation or statement made or furnished by Lender herein, in any of the Related Documents or in connection with any of the foregoing is false or misleading in any material respect; (d) Borrower or any other party liable for the payment of this Note, whether as maker, endorser, guarantor, surety or otherwise, becomes insolvent or bankrupt, has a receiver or trustee appointed for any part of its property, makes an assignment for the benefit of its creditors, or any proceeding is commenced either by any such party or against it under any bankruptcy or insolvency laws; (e) the occurrence of any event of default specified in any of the other Related Documents or in any other agreement now or hereafter existing between Borrower and Lender; (f) the occurrence of any event which permits the acceleration of the maturity of any indebtedness owing now or hereafter by Borrower to any third party; or (g) the liquidation, termination, dissolution, death or legal incapacity of Borrower or any other party liable for the payment of this Note, whether as maker, endorser, guarantor, surety, or otherwise.

LENDER'S RIGHTS. Upon default, Lender may at its option, without further notice or demand (i) declare the entire indebtedness, including the unpaid principal balance on this Note, all accrued unpaid interest, and all other amounts, costs and expenses for which Borrower is responsible under this Note or any other Related Document, immediately due, (ii) refuse to advance any additional amounts under this Note, (iii) foreclose all liens securing payment hereof, (iv) pursue any other rights, remedies and resources available to the Lender, including without limitation, any such rights, remedies or resources under the Related Documents, as law or in equity, or (v) pursue any combination of the foregoing. The rights, remedies and resources of Lender, as provided in this Note and in the other Related Documents, shall be cumulative and concurrent and may be pursued separately, successively or together as often as occasion therefore shall arise, at the sole discretion of Lender. The acceptance by Lender of any payment under this Note which is less than the payment in full of all amounts due and payable at the time of such payment shall not (i) constitute a waiver of or impair, reduce, release or extinguish any right, remedy or resource of Lender, or nullify any prior exercise of any such right, remedy or resource, or (ii) impair, reduce, release or extinguish the obligations of any party liable under any of the Related Documents as originally provided herein or therein. Lender may hire an attorney to help collect this Note if Borrower does not pay, and Borrower will pay Lender's reasonable attorneys' fees and all other costs of collection. To the extent interest is not paid on or before the 15th day after it becomes due and payable, Lender may, at its option, add such accrued but unpaid interest to the principal balance of this Note. This Note has been delivered to Lender and accepted by Lender in the State of Texas. Subject to the provisions on arbitration, this Note shall be governed by and construed in accordance with the laws of the State of Texas without regard to any conflict of laws or provisions thereof.

PURPOSE. Borrower agrees that no advances under this Note shall be used for personal, family, or household purposes and that all advances hereunder shall be used solely for business, commercial, agricultural or other similar purposes.

JURY WAIVER. THE BORROWER AND LENDER BY ITS ACCEPTANCE HEREOF HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN BORROWER AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS NOTE OR THE OTHER RELATED DOCUMENTS. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING EVIDENCED BY THIS NOTE.

DISHONORED CHECK CHARGE. Borrower will pay a processing fee of \$25.00 if any check given by Borrower to Lender as a payment on this loan is dishonored.

RIGHT OF SETOFF. Unless a lien would be prohibited by law or would render a non-taxable account taxable, Borrower grants to Lender a contractual possessory security interest in, and hereby assigns, conveys, delivers, pledges, and transfers to Lender all Borrower's right, title and interest in and to, Borrower's accounts with Lender (whether checking, savings, or any other account), including without limitation all accounts held jointly with someone else and all accounts Borrower may open in the future. Borrower authorizes Lender, to the extent permitted by applicable law, to charge at least all sums due on this Note.

ARBITRATION. Lender and Borrower agree that upon the written demand of either party, whether made before or after the institution of any legal proceedings, but prior to the rendering of any judgment in that proceeding, all disputes, claims and controversies between them, whether individual, joint, or class in nature, arising from this Note, any Related Document or otherwise, including without limitation contract disputes and tort claims, shall be arbitrated pursuant to the Commercial Rules of the American Arbitration Association. Any arbitration proceeding held pursuant to this arbitration provision shall be conducted in the city nearest the Borrower's address having an AAA regional office, or at any other place selected by mutual agreement of the parties. No act to take or dispose of any collateral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This arbitration provision shall not limit the right of either party during any dispute, claim or controversy to seek, use, and employ ancillary, provisional or preliminary rights and/or remedies, judicial or otherwise, for the purpose of reaching upon, preserving, protecting, foreclosing upon or proceeding under forcible entry and detainer for possession of, any real or personal property, and any such action shall not be deemed an election of remedies. This includes, without limitation, obtaining injunctive relief or a temporary restraining order, invoking a power of sale under any deed of trust or mortgage, obtaining a writ of attachment or imposition of a receivership, or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right or remedy, concerning any collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral, shall also be arbitrated; provided however that no arbitrator shall have the right or the power to enjoin or restrain any

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ASSIGNMENT OF DEPOSIT ACCOUNT

Loan No

(Continued)

any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

Successor Interests. Subject to the limitations set forth above on transfer of the Collateral, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns; provided, however, GRANTOR's rights and obligations hereunder may not be assigned or otherwise transferred without the prior written consent of Lender.

Waiver. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right to thereafter demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF DEPOSIT ACCOUNT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED OCTOBER 17, 1998.

GRANTOR:

X _____
KEVIN PATRICK BRADY

NOTICE OF FINAL AGREEMENT

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower: KEVIN PATRICK BRADY
11411 SLASHPIKE PLACE
THE WOODLANDS, TX 77380

Lender: Bank One, Texas, N.A.
Woodlands Banking Center - Woodlands
1400 Woodloch Forest
Woodlands, TX 77380

THE WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

As used in this Notice, the following terms have the following meanings:

Loan. The term "Loan" means a loan, an extension of credit or other financial accommodations, or the renewal, modification or extension of any of the foregoing, by Bank One, Texas, N.A. to Borrower for \$25,000.00.

Parties. The term "Parties" means Bank One, Texas, N.A. and any and all entities or individuals who are obligated to repay all or any part of the Loan or have pledged property as security for the Loan, including without limitation those parties signing below.

Written Loan Agreement. The term "Written Loan Agreement" means any agreements, instruments or documents relating to the Loan that have been executed or may hereafter be executed by any of the Parties.

This Notice of Final Agreement is given by Bank One, Texas, N.A. pursuant to Section 26.02 of the Texas Business and Commerce Code. Each Party who signs below, other than Bank One, Texas, N.A., acknowledges, represents, and warrants to Bank One, Texas, N.A. that it has received, read and understood this Notice of Final Agreement. This Notice is dated October 17, 1988.

BORROWER:

X

KEVIN PATRICK BRADY

LENDER:

Bank One, Texas, N.A.

By: _____
Authorized Officer

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PROMISSORY NOTE

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(Continued)

act of either party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this arbitration provision shall preclude either party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of any action for these purposes. The Federal Arbitration Act (Title 9 of the United States Code) shall apply to the construction, interpretation, and enforcement of this arbitration provision.

GENERAL PROVISIONS. NOTICE: Under no circumstances (and notwithstanding any other provisions of this Note) shall the interest charged, collected, or contracted for on this Note exceed the maximum rate permitted by law. The term "maximum rate permitted by law" as used in this Note means the greater of (a) the maximum rate of interest permitted under federal or other law applicable to the indebtedness evidenced by this Note, or (b) as of the date of this Note, the "Weekly Rate Ceiling" or the "Quarterly Ceiling" as referred to in Sections 302.201 and 303.202, respectively, of the Texas Finance Code, as supplemented by Texas Credit Title. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. In particular, this section means (among other things) that Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Texas (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. The right to accelerate maturity of sums due under this Note does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to charge or collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the loan evidenced by this Note until payment in full so that the rate or amount of interest on account of the loan evidenced hereby does not exceed the applicable usury ceiling. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, severally waive presentment, demand for payment, protest, notice of protest, notice of dishonor, notice of intent to accelerate the maturity of this Note, notice of acceleration of the maturity of this Note, diligence in enforcement and indulgence of every kind. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this Note, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral without the consent of or notice to anyone. All such parties also agree that Lender may modify this Note without the consent of or notice to anyone other than the party with whom the modification is made. Borrower agrees to provide to Lender such further financial information with respect to Borrower as Lender may reasonably request from time to time, including, without limitation, financial statements in form and detail satisfactory to Lender.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

BORROWER:

X COPY

KEVIN PATRICK BRADY

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ASSIGNMENT OF DEPOSIT ACCOUNT

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Loan No

(Continued)

or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's or any Guarantor's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender under this Agreement, the Note or any of the other Related Documents is false or misleading in any material respect.

Default to Third Party. The occurrence of any event which permits the acceleration of the maturity of any indebtedness owing by Grantor or any Guarantor to any third party under any agreement or undertaking.

Bankruptcy or Insolvency. If the Grantor or any Guarantor: (i) becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due; (ii) generally is not paying its debts as such debts become due; (iii) has a receiver, trustee or custodian appointed for, or takes possession of, all or substantially all of the assets of such party or any of the Collateral, either in a proceeding brought by such party or in a proceeding brought against such party and such appointment is not discharged or such possession is not terminated within sixty (60) days after the effective date thereof or such party consents to or acquiesces in such appointment or possession; (iv) files a petition for relief under the United States Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy or similar laws (all of the foregoing hereinafter collectively called "Applicable Bankruptcy Law") or an involuntary petition for relief is filed against such party under any Applicable Bankruptcy Law and such involuntary petition is not dismissed within sixty (60) days after the filing thereof, or an order for relief naming such party is entered under any Applicable Bankruptcy Law, or any composition, rearrangement, extension, reorganization or other relief of debtors now or hereafter existing is requested or consented to by such party; (v) fails to have discharged within a period of sixty (60) days any attachment, sequestration or similar writ levied upon any property of such party; or (vi) fails to pay within thirty (30) days any final money judgment against such party.

Liquidation, Death and Related Events. If Grantor or any Guarantor is an entity, the liquidation, dissolution, merger or consolidation of any such entity or, if any of such parties is an individual, the death or legal incapacity of any such individual.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against the Collateral or any other collateral securing the indebtedness.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default, or at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any rights or remedies that may be available at law, in equity, or otherwise:

Accelerate Indebtedness. Lender may declare all indebtedness of Grantor to Lender immediately due and payable, without notice of any kind to Grantor.

Application of Account Proceeds. Lender may, without notice to Grantor, withdraw the funds in the Account (or, if the Account was not issued by Lender, obtain all funds in the Account from the issuer of the Account) and apply them to the indebtedness in such manner as Lender shall at its discretion determine in accordance with applicable law. If the Account is subject to an early withdrawal penalty, that penalty may be deducted from the Account before its application to the indebtedness, whether the Account is with Lender or some other institution. Any excess funds remaining after application of the Account proceeds to the indebtedness will be paid to Grantor as the interests of Grantor may appear. Lender also shall have all the rights of a secured party under the Code, even if the Account is not otherwise subject to the Code concerning security interests.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Cumulative Remedies. All of Lender's rights and remedies, whether evidenced by this Agreement or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditure or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and to exercise its remedies. Grantor waives any right to require Lender to proceed against any third party, exhaust any other security for the indebtedness or pursue any other right or remedy available to Lender.

MISCELLANEOUS PROVISIONS.

Amendments. This Agreement, together with all Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement and supercedes all prior written and oral agreements and understandings, if any, regarding same. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be changed or bound by the alteration or amendment.

Applicable Law. This Assignment has been delivered to Lender and accepted by Lender in the State of Texas. Subject to the provisions on arbitration in any Related Document, this Assignment shall be governed by and construed in accordance with the laws of the State of Texas without regard to any conflict of laws or provisions thereof.

JURY WAIVER. THE UNDERSIGNED AND LENDER (BY ITS ACCEPTANCE HEREOF HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THE UNDERSIGNED AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS DOCUMENT OR ANY OTHER RELATED DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING DESCRIBED HEREIN OR IN THE OTHER RELATED DOCUMENTS.

Attorneys' Fees and Other Costs. Grantor will upon demand pay to Lender the amount of any and all costs and expenses (including without limitation, reasonable attorneys' fees and expenses) which Lender may incur in connection with (i) the perfection and preservation of the collateral assignment and security interests created under this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, the Collateral, (iii) the exercise or enforcement of any of the rights of Lender under this Agreement, or (iv) the failure by Grantor to perform or observe any of the provisions hereof.

Indemnity. Grantor hereby agrees to indemnify, defend and hold harmless Lender, and its officers, directors, shareholders, employees, agents and representatives (each an "Indemnified Person") from and against any and all liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature (collectively, the "Claims") which may be imposed on, incurred by or asserted against, any Indemnified Person (whether or not caused by any Indemnified Person's sole, concurrent or contributory negligence) arising in connection with the Related Documents, the indebtedness or the Collateral (including, without limitation, the enforcement of the Related Documents and the defense of any Indemnified Person's action and/or inaction in connection with the Related Documents). **WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDENTIFIED PERSON WITH RESPECT TO ANY CLAIMS WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH AND/OR ANY OTHER INDENTIFIED PERSON**, except to the limited extent that the Claims against the Indemnified Person are proximately caused by such Indemnified Person's gross negligence or willful misconduct. The indemnification provided for in this Section shall survive the termination of this Agreement and shall extend and continue to benefit each individual or entity who is or has at any time been an Indemnified Person hereunder.

Notices. All notices required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier or deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the address shown above. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.

For notice purposes, Grantor will keep Lender informed at all times of Grantor's current address(es).

Power of Attorney. Grantor hereby irrevocably appoints Lender as its true and lawful attorney-in-fact, such power of attorney being coupled with an interest, with full power of substitution to do the following in the place and stead of Grantor and in the name of Grantor: (a) to demand, collect, receive, receipt for, sue and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Collateral; (b) to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment for the Collateral; (c) to settle or compromise any and all claims arising under the Collateral, and, in the place and stead of Grantor, to execute and deliver its release and settlement for the claim; (d) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Grantor, or otherwise, which in the discretion of Lender may seem to be necessary or advisable; (e) transfer the Account into the name of Lender or its nominee; and (f) take any other action which Lender may deem necessary or appropriate to protect and preserve the rights, title and interest of Lender hereunder. This power is given as security for the indebtedness, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Lender.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible,

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE
FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

<input type="checkbox"/> Hand Delivered	Date of Receipt
<input type="checkbox"/> First Class Mail	POSTMARKED
<input checked="" type="checkbox"/> Registered/Certified Mail	POSTMARKED 10-9-98
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Postmark illegible	
<input type="checkbox"/> Received from the House office of Records and Registration	Date of Receipt
<input type="checkbox"/> Received from the Senate Office of Public Records	Date of Receipt
<input type="checkbox"/> Other (Specify):	Postmarked and/or Date of Receipt
<input type="checkbox"/> Electronic Filing	
RC	10-9-98
PREPARER	DATE PREPARED