

Kenneth L. Anderson, Attorney
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504 Main Street
Lewiston, Idaho 83501
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U.S. COURTS
06 JUN 12 PM 6:57

CLERK OF DISTRICT COURT
LEWISTON, IDAHO

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF IDAHO

In re:) Case No. 99-20601
)
NORMAN KENNETH SPENCER,) AFFIDAVIT OF KENNETH L.
dba NorBon's Copy Cabin,) ANDERSON IN SUPPORT OF
) MOTION TO APPROVE
Debtor.) SALE OF PROPERTY

STATE OF IDAHO, County of Nez Perce, ss:

COMES NOW THE UNDERSIGNED, who after being first duly sworn on oath
deposes and says as follows:

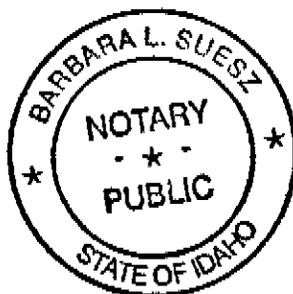
I am attorney of record for debtor above-named.

The attachment hereto is a true and correct copy of the proposed contract of
sale between debtor as the proposed seller and T.L. B. Investment Co., LLC, as the
proposed buyer.



Kenneth L. Anderson

SUBSCRIBED AND SWORN TO before me this 12th day of June, 2002.



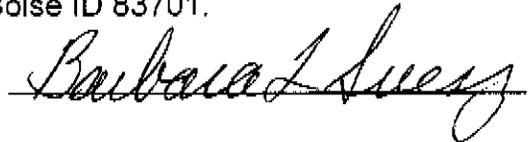
Notary Public of the State of
Idaho residing at Lewiston.
My commission expires...
 28 FE 2002 (Barb Suesz).
 31 JL 2004 (Bradee Miller).

AFFIDAVIT OF KENNETH L. ANDERSON
IN SUPPORT OF MOTION TO APPROVE SALE OF PROPERTY -1-

66

Certificate of Service

I hereby certify that on the 12th day of June, 2002, I caused to be served a true and correct copy of the foregoing by first class mail, postage prepaid, on the following: Barry Zimmerman, Trustee, Box 1315, Coeur d'Alene ID 83816-1315, and Jeffrey Howe, Assistant U.S. Trustee, P.O. Box 110, Boise ID 83701.


Barbara L. Sues

CONTRACT OF SALE

BY AGREEMENT made effective the ____ day of _____, 2002, by and between NORMAN K. SPENCER DBA DIGITAL COLOR IMAGING (hereinafter referred to as "Seller"), and T.L.B. INVESTMENT CO., LLC, an Idaho limited liability company (hereinafter referred to as "Purchaser").

WITNESSETH:

WHEREAS, Seller is currently operating his business in a leased building at 1101 Main Street, Lewiston, Idaho 83501;

WHEREAS, Purchaser is desirous of purchasing the business known as DIGITAL COLOR IMAGING (hereinafter the "Company"), and Seller is willing to sell said business to Purchaser for the price and on the terms hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto do hereby mutually covenant and agree as follows:

SECTION 1. SUBJECT PROPERTY

As used herein, the term "Subject Property" or "Property" shall be deemed to include all inventory, equipment, cash on hand, accounts receivable, and supplies currently owned by the Company.

SECTION 2. PURCHASE PRICE

The total purchase price for the Subject Property shall be the assumption by Purchaser of the following debts of the Seller:

	<u>Value as of Purchase Date</u>
Royal Business Systems	\$11,700
Landlord (past due rent)	1,500
Xerox	1,600
Lash loan	1,200
Past due taxes	2,900
Artbody Inc.	<u>16,000</u>
	\$34,900.

SECTION 3. TRANSFER OF BUILDING LEASE

The purchase by Purchaser is contingent upon the successful transfer of the building lease.

SECTION 4. RESPONSIBILITY OF SELLER

NORMAN K. SPENCER shall be responsible for the following expenses: (a) Bankruptcy payment; (b) personal taxes; (c) auto insurance; and (d) cellular phone charges. Such payments shall not be assumed by Purchaser.

SECTION 5. CONVEYANCE AND TITLE

Conveyance of title of the Subject Property to Purchaser shall be by delivery of the Subject Property on or before _____, 2002.

Purchaser shall prepare any other appropriate forms or instruments of transfer and conveyance in conformity with this Agreement.

SECTION 6. CLOSING

The consummation of the transaction contemplated hereunder (herein referred to as the "Closing") shall be at 1101 Main Street, Lewiston, ID 83501, on the ____ day of _____, 2002.

SECTION 7. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller, hereby represents and covenants with Purchaser as follows:

A. Seller is the owner and is in possession of the Subject Property. Upon consummation of the Closing pursuant to this Agreement, the Purchaser will receive good, marketable title to the Subject Property free and clear of any and all liens, security interests, covenants, conditions, restrictions, judgments, and any other matters affecting title.

B. The parties understand that Purchaser is acquiring the Subject Property without warranty of any kind from Seller.

C. Upon consummation of this transaction, the Subject Property and all rights in and to the operation of the Property shall be transferred to the Purchaser.

D. Seller is not a party, expressly or by virtue of any representation, to any pending suit or proceeding by or before any tribunal, which could have an adverse effect on the operation of the Subject Property or Seller's performance of his obligations under this Agreement, nor to Seller's knowledge, are there threatened any claims or actions which may become the subject of litigation, which might have a similar adverse affect.

E. No adverse or unpaid judgments are outstanding against Seller relating to the Subject Property, the Seller's operation of the Property or which might affect the Seller's abilities to perform his obligations under this Agreement.

F. Seller neither knows of, nor has reasonable grounds to believe, that he is in violation of any governmental law, rule, or regulation in any respect, which could have any adverse effect upon the validity, performance or enforceability of this Agreement.

G. There are no management contracts, security contracts, assignments, employment agreements, licensing agreements, insurance policies, or any other contracts, or agreements, whether oral or written, affecting the Subject Property to which the Seller is a party which have not been disclosed to Purchaser.

H. The Seller has the unconditional power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. Execution, delivery, and performance of this Agreement and the other documents and instruments to be executed by Seller pursuant hereto, have been duly authorized; and this Agreement and such other documents and instruments are and shall be valid and binding upon the Seller in accordance with their terms. Seller possesses all authority and power necessary to carry out and fulfill their obligations under and in connection with the provisions of this Agreement.

I. Anything herein to the contrary notwithstanding, it is specifically understood that Seller is the debtor in an ongoing Chapter 13 bankruptcy proceeding (Spencer, Norman Kenneth, dba NorBon's Copy Cabin, No. 99-20601, U.S. Bankruptcy Court for the District of Idaho), and that approval of this proposed sale by said Court is necessary before this Contract of Sale can be put into any force or effect.

SECTION 8. DEFAULTS

8.1 SELLER'S REMEDIES. In the event of a default by Purchaser hereunder, Seller shall have the right to terminate this Agreement without notice thereof to Purchaser in the event that Purchaser is forty five (45) days late on any payment amounts or performance due to Seller pursuant to this agreement. Seller may also seek any other right they may have in law or equity as a result of a breach hereof by Purchaser, including the immediate return of the shares of stock without court order. Any amounts paid by Purchaser shall be deemed liquidated damages.

8.2 PURCHASER'S REMEDIES. In the event of a default by Seller hereunder, Purchaser, at its sole option, may either terminate its obligations under this Agreement by notice thereof to Seller, or Purchaser may seek to specifically enforce the terms and conditions of this Agreement or seek any other right it may have in law or equity as a result of a breach hereof by Seller.

SECTION 9. COMMISSIONS

Seller and Purchaser each represent and warrant to the other that they have employed no broker, finder, or other person in connection with the transactions contemplated under this Agreement. Seller and Purchaser each hereby agree to indemnify and hold the other free and harmless from and against all claims and liability arising by reason of the incorrectness of the representations and warranties of this paragraph, including, without limitation, reasonable attorneys' fees and court costs. The provisions of this paragraph shall survive the Closing and the deliveries made hereunder.

SECTION 10. MISCELLANEOUS

10.1 ENTIRE AGREEMENT. This Agreement contains the entire agreement among the Parties.

10.2 TIME OF ESSENCE. It is agreed that time is of the essence hereunder.

10.3 VALIDITY. If any provisions of this Agreement, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Agreement, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of

this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

10.4 GOVERNING LAW AND JURISDICTION. This Agreement, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Idaho. The parties do hereby stipulate to and agree that for purposes of any disputes and/or litigation related to the enforcement of this agreement, that parties will bring such action in the Second Judicial District, in and for Nez Perce County, State of Idaho.

10.5 BINDING AGREEMENT. Except as herein otherwise specifically provided, this Agreement shall be binding upon the parties hereto, their successors, heirs, devisees, assigns, legal representatives, executors, and administrators.

10.6 SECTION HEADINGS. All Section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any Section.

10.7 COUNTERPARTS AND FACSIMILES. This Agreement may be executed in several counterparts or by facsimile, and all so executed shall constitute one agreement binding on all of the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart.

10.8 ATTORNEY'S FEES. The parties agree that should any party default in or be in breach of any of the covenants, agreements, representations, or warranties herein contained, the non-defaulting party or the non-breaching party (or in the event litigation was commenced the prevailing party) shall be entitled to all costs and expenses, including reasonable attorneys' fees, (whether an action has been commenced or not) which may arise or accrue from enforcing any of the terms of this Agreement or terminating this Agreement, or in pursuing any remedy provided hereunder or by applicable law.

10.9 NO PRESUMPTION. Should any provision of this Agreement require judicial interpretations, the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party, by reason of the rule of construction that a document is to be construed more strictly against the person who himself or through his agents prepared the same, it being acknowledged that all parties have participated in the preparation hereof.

10.10 CUMULATIVE RIGHTS. The rights and remedies provided in this Agreement are cumulative and the use of any rights or remedy does not limit a party's right to use any or all other remedies. All rights and remedies in this Agreement are in addition to any other legal rights the parties may have.

10.11 NOTICES. All notices to be given hereunder shall be sent certified mail, return receipt requested, with postage prepaid, to the parties at the following addresses, or at such addresses that may be changed from time to time:

SELLER: NORMAN K. SPENCER
505 24th Street North, Space 300
Lewiston, ID 83501

PURCHASER: T.L.B. INVESTMENT Co., LLC
PO Box 181
Colton, WA 99113

10.12 ASSURANCES. Each party agrees to execute, have acknowledged, if appropriate, and deliver all instruments, documents or agreements not specifically called for herein which may be desirable to achieve the objectives contemplated by this Contract.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the date first written above.

SELLER:

NORMAN K. SPENCER, DBA DIGITAL COLOR IMAGING

PURCHASER:

T.L.B. INVESTMENT CO., LLC

By: _____
TODD BLAMIRES, MEMBER

BY: _____
LINDA BLAMIRES, MEMBER

STATE OF IDAHO)
 ss.
COUNTY OF _____)

On this ____ day of _____, 2002, before me, the undersigned Notary Public in and for said State, personally appeared Norman K. Spencer, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC, State of Idaho
Commission expires: _____

PERSONAL GUARANTEE

By our signatures affixed below, we do hereby acknowledge, agree to, and personally guarantee, jointly and severally, the payments of the amounts set forth above, and all of the terms and conditions agreed to by the Purchaser.

TODD BLAMRES

DATE

LINDA BLAMRES

DATE