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9/6/2012 4:39:00 PM \$45.00  
Book - 10054 Pg - 281-293  
Gary W. Ott  
Recorder, Salt Lake County, UT  
SECURITY TITLE INS AGENCY  
BY: eCASH, DEPUTY - EF 13 P.

Loan No. 1783416-9002

**WHEN RECORDED, RETURN TO:**

Zions First National Bank  
Real Estate Banking Group  
One South Main Street, Suite 470  
Salt Lake City, Utah 84133  
Attn: Real Estate Banking Group Manager

*Order No. 101791*

**ASSIGNMENT OF TENANT'S INTEREST IN GROUND LEASE  
FOR SECURITY  
(All Salt Lake County Properties)**

This Assignment of Tenant's Interest in Ground Lease for Security (the "Assignment") is made and executed this 23 day of August, 2012 (the "Closing Date"), Terratron, Inc., a Utah corporation ("Borrower"), and Zions First National Bank, a national banking association ("Lender").

**RECITALS**

A. Pursuant to the Promissory Note dated the Closing Date in which Borrower appears as "Borrower" and Lender appears as "Lender" and which is in the original principal amount of One Million Six Hundred Sixteen Thousand Dollars (\$1,616,000) (the "Note"), and pursuant to the Term Loan Agreement dated the Closing Date wherein Borrower appears as "Borrower" and Lender appears as "Lender" (the "Loan Agreement"), Lender has loaned the proceeds of the Note to Borrower.

B. Pursuant to the Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing dated the Closing Date (the "Trust Deed"), in which Borrower appears as "Trustor", Lender appears as "Trustee" and "Beneficiary", and which encumbers the real property together with the improvements thereon located in Salt Lake County, State of Utah, and more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property"), Borrower has granted Lender a lien on Borrower's leasehold interest in the Property to secure the Note.

C. The Property is affected by the following ground leases:

(1) For the real property located at **217 East 400 South, Salt Lake City**, a Ground Lease With First Right to Purchase dated August 3, 1982, entered into between Dee's, Inc., a Utah corporation ("Dee's"), as "lessor", and Scott M. Waldron, as "lessee", together with all amendments

and assignments thereof. Dee's right, title and interest in the ground lease was ultimately acquired by Anderson Investment Corporation, a Utah corporation, as the "ground lessor". The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

(2) For the real property located at *1340 East 3300 South, Salt Lake City*, a Lease dated September 1, 1991, originally entered into between Vayles Bailey, an individual, and Mary Mirian Bailey Wadsworth, Trustee of the Mary Mirian Bailey Wadsworth Trust dated March 11, 1987, as the "ground lessor", and Titus Fund, Inc., a Utah corporation, as Lessee, together with all amendments and assignments thereof. The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

(3) For the real property located at *7050 South Highland Drive, Cottonwood Heights*, a Ground Lease With First Right to Purchase dated August 3, 1982, originally entered into between Anderson Investment Corporation, a Utah corporation, as the "ground lessor", and Scott M. Waldron, as "lessee", together with all amendments and assignments thereof. The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

(4) For the real property located at *705 East Ft. Union Boulevard, Midvale*, a Lease dated November 5, 1986, entered into between Union Point, a Utah general partnership ("Union Point"), as "lessor", and Terratron, Inc., a Wisconsin corporation, as "lessee", together with all amendments and assignments thereof. Union Point's right, title and interest in the ground lease was ultimately acquired by Hillcrest Investment Company, L.L.C., a Utah limited liability company, as the "ground lessor". The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

(5) For the real property located at *2075 East 9400 South, Sandy*, a Ground Lease dated May 1, 1987, entered into between Dee's, Inc., a Utah corporation, as "ground lessor" and Borrower, as "lessee", together with all amendments and assignments thereof.

(6) For the real property located at *3975 West 4700 South, Taylorsville*, a Shopping Center Lease dated March 24, 1989, originally entered into between R.C. Willey Home Furnishings, Inc., a Utah corporation, as "ground lessor", and Terratron, Inc., a Wisconsin corporation, as "tenant", together with all amendments and assignments thereof. The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

(7) For the real property located at *5610 West 3500 South, West Valley*, a Ground Lease With First Right to Purchase dated August 3, 1982, originally entered into between Dee's, Inc., a Utah corporation, as "ground lessor", and Scott M. Waldron, as "lessee", together with all amendments and assignments thereof. The original tenant's right, title and interest in the ground lease was ultimately acquired by Borrower as successor by assignment and merger.

All of the above referenced ground leases in this Recital C are hereinafter collectively referred to as the "Ground Lease", and all of the above referenced ground lessors in this Recital C are hereinafter collectively referred to as the "Ground Lessor".

D. Lender desires and Borrower agrees to further secure the Note and the Loan Agreement with an assignment of the Ground Lease.

#### AGREEMENT

In exchange for good and valuable consideration the sufficiency and receipt of which are hereby acknowledged, Borrower and Lender agree as follows:

1. Assignment. Borrower hereby absolutely and unconditionally assigns and transfers unto Lender for security all the right, title, and interest of Borrower in and to the Ground Lease, together with all extensions, renewals, modifications or replacements thereof, as well as all guaranties of Borrower's obligations under any provisions thereof and under any and all extensions and renewals thereof (collectively the "Lease"). This Assignment shall inure to the benefit of Lender, its successors and assigns as security for the payment of the principal and interest provided to be paid in or by the Note, the performance of the agreements of Borrower contained in the Loan Agreement, and the performance of the agreements of Borrower contained in the Loan Documents and any other document evidencing, securing, or relating to the disbursement or administration of the proceeds of the Note (all of which agreements and obligations are collectively referred to as the "Obligation").

2. Default Remedies of Lender. If Borrower defaults on the Obligation, or this Assignment or if an Event of Default occurs, Lender shall be authorized at its option to enter and take possession of all or part of the Property, to perform all acts necessary for the operation and maintenance of the Property, and to perform the obligations of Borrower under the Lease in the same manner and to the same extent that Borrower might reasonably so act. Lender shall further be authorized to replace Borrower as lessee under the Lease and, at its discretion, may assume Borrower's obligations thereunder. However, unless Lender affirmatively and expressly assumes Borrower's obligations under the Lease, Lender's liability to Ground Lessor shall be limited to those liabilities that run with the Property during the period of Lender's possession of the Property or ownership of Borrower's interest in the Lease.

3. Termination of Assignment. When Borrower pays Lender for the full amount of the Obligation and such payment is evidenced by a recorded satisfaction or release of the Trust Deed, this Assignment shall no longer be in effect and shall be void. Lender shall execute such instruments as may be reasonably required to evidence the termination of this Assignment.

4. Notice to Ground Lessor of Borrower's Default. Borrower shall irrevocably authorize Ground Lessor, upon demand and notice from Lender of Borrower's default under the

Loan Documents, to accept from Lender performance of Borrower's obligations under the Lease. In such situation, Lender shall not be liable to Ground Lessor for the determination of the actual existence of any default claimed by Lender. Ground Lessor shall have the right to rely upon any such notices from Lender, without any obligation or right to inquire as to the actual existence of the default, notwithstanding any claim of Borrower to the contrary. Upon the curing of all defaults caused by Borrower under the Loan Documents, Lender shall give Ground Lessor written notice of such cure.

5. Assignment of Borrower's Interest in Lease. Lender shall have the right to assign Borrower's right, title, and interest in the Lease to any subsequent holder of the Note and to any person acquiring title to the Property through foreclosure or otherwise consistent with the terms of the Lease.

6. Indemnification of Lender. Borrower shall indemnify and hold Lender harmless of and from any and all liability, loss, or damage that Lender may incur under the Lease or by reason of this Assignment other than such liability, loss, or damage as may be occasioned by Lender's gross negligence or willful misconduct. Such indemnification shall also cover any and all claims that may be asserted against Lender by reason of any alleged obligation to be performed by Lender under the Lease or Assignment. Nothing in this paragraph shall be construed to bind Lender to the performance of any Lease provisions, or to otherwise impose any liability upon Lender. This Assignment shall not impose liability upon Lender for the operation and maintenance of the premises or for carrying out the Lease terms before Lender has entered and taken possession of the premises. Any loss or liability incurred by Lender by reason of actual entry and taking possession under the Lease or in the defense of any claims shall, at Lender's request, be reimbursed by Borrower. Such reimbursement shall include interest at the rate of three percent (3%) per annum above the interest rate applicable under the Note, plus costs, expenses, and reasonable attorneys' fees.

7. Quality of Borrower's Title to Lease. Borrower represents itself to be the absolute owner of the leasehold interest in the Lease, with right and title to assign it consistent with the terms of the Lease; that the Lease is valid, in full force and effect, and has not been modified or amended except as stated herein; that there is no outstanding assignment or pledge thereof; that there are no existing defaults under the provisions thereof on the part of any party; and that Borrower or Borrower's tenant is in possession, and Borrower is paying rent and other charges under the Lease as provided therein. Borrower covenants not to cancel, abridge, surrender, or terminate the Lease or change, alter, or modify it without the prior written consent of Lender. Any attempt at cancellation, surrender, termination, change, alteration, modification, assignment, or subordination of the Lease without the written consent of Lender shall be null and void.

8. No Merger. If the Property is under any lease or any portion thereof which constitutes a part of the Property shall at any time become vested in one owner, this Assignment and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger and, in such event, Lender shall continue to have and enjoy all of the rights and privileges of Lender as to

the separate estates. In addition, upon the foreclosure of the lien created by this Assignment on the Property pursuant to the provisions of this Assignment, any leases or subleases then existing and created by Borrower shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Lender or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Lender or any such purchaser shall constitute a termination of any lease or sublease unless Lender or such purchaser shall give written notice thereof to such tenant or subtenant.

9. Delivery of Necessary Instruments to Lender. Borrower shall execute and deliver to Lender and hereby irrevocably appoints Lender, its successors, and assigns as its attorney in fact to execute and deliver during the term of this Assignment, all further instruments as Lender may deem necessary to make this Assignment and any further assignment effective. The power hereby granted is coupled with an interest in the Property and is irrevocable.

10. Lease Guaranties; Assignment of Lease; Alterations of Premises. Borrower shall not alter, modify, cancel or terminate any guaranties of the Lease without the written consent of Lender. Borrower shall not consent to any Lease assignment or subletting, nor agree to a subordination of the Lease to any mortgage or other encumbrance, other than that of Lender, now or hereafter affecting the Property without Lender's prior written consent. Borrower shall not permit a material alteration of or addition to the Property without Lender's prior written consent.

11. Borrower to Ensure Continued Performance under Lease. Borrower shall perform all of its covenants as lessee under the Lease, including the obligation to pay rent to Ground Lessor. Borrower shall promptly deliver to Lender copies of all notices of default Borrower has received or may hereafter receive from Ground Lessor.

12. Changes in Obligation Terms. Notwithstanding any variation of the terms of the Loan Documents, including increase or decrease in the principal amount thereof or in the rate of interest payable thereunder or any extension of time for payment thereunder or any release of part or parts of the real property subject to the Trust Deed, the Lease and the benefits hereby assigned shall continue as additional security in accordance with the terms of this Assignment.

13. Additions to and Replacement of Obligation. Lender may take security in addition to the security already given Lender for the payment of the principal and interest provided to be paid in or by the Loan Documents or release such other security, and may release any party primarily or secondarily liable on the Loan Documents, may grant or make extensions, renewals, modifications, or indulgences with respect to the Loan Documents and replacements thereof, which replacement of the Loan Documents may be on the same or on terms different from the present terms of the Loan Documents, and may apply any other security thereof held by it to the satisfaction of the Obligation, without prejudice to any of its rights hereunder.

14. Exercise of Lender's Rights. Lender's failure to avail itself of any of its rights under this Assignment for any period of time, or at any time or times, shall not constitute a waiver thereof.

Lender's rights and remedies hereunder are cumulative, and not in lieu of, but in addition to, any other rights and remedies Lender has under the Obligation and the Trust Deed. Lender's rights and remedies hereunder may be exercised as often as Lender deems expedient.

15. Amendment, Modification, or Cancellation of Assignment. No amendment, modification, cancellation, or discharge hereof, or of any part hereof, shall be enforceable without Lender's prior written consent.

16. Notices. All notices shall be in writing and shall be deemed to have been sufficiently given or served when personally delivered or when deposited in the United States mail, by registered or certified mail, addressed as follows:

Lender: Zions First National Bank  
Real Estate Banking Group  
180 North University Avenue, 3rd Floor  
Provo, Utah 84601  
Attn: Ryan J. Speirs

With copies to: Callister Nebeker & McCullough  
Zions Bank Building  
10 East South Temple, Suite 900  
Salt Lake City, Utah 84133  
Attn: Nathan A. Scharton

Borrower: Terratron, Inc.  
340 Main Street, Suite 200  
P.O. Box 3208  
Park City, Utah 84060-3208  
Attn: David W. Peters

With copies to: Parsons Behle & Latimer  
201 South Main, Suite 1800  
Salt Lake City, Utah 84111  
Attn: Craig B. Terry

Such addresses may be changed by notice to the other party given in the same manner provided in this Section.

17. Binding Effect. All agreements herein shall inure to the benefit of, and bind the respective heirs, executors, administrators, successors, and assigns of Borrower and Lender.

18. Governing Law. This Assignment shall be governed by, construed and interpreted in accordance with the laws of the State of Utah.

19. Jurisdiction of Utah Courts. Borrower acknowledges that by execution and delivery of this Assignment, Borrower has transacted business in the State of Utah and Borrower hereby voluntarily submits to, consents to, and waives any defense to the jurisdiction of courts located in the State of Utah as to all matters relating to or arising from this Borrower.

20. Attorneys' Fees. In the event Lender institutes legal action against Borrower with respect to this Assignment, Lender shall be entitled to an award of reasonable attorneys' fees from Borrower. Lender shall also be entitled to collect all reasonable attorneys' fees and costs incurred with respect to any insolvency or bankruptcy action or proceeding involving Borrower.

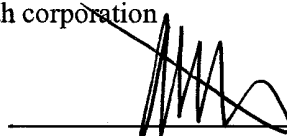
21. Defined Terms. Unless otherwise defined in this Assignment, capitalized terms used herein have the meanings given them in the Loan Agreement.

***[SIGNATURE PAGE(S) AND EXHIBIT(S),  
IF ANY, FOLLOW THIS PAGE]***

DATED: August 23, 2012.

BORROWER

**TERRATRON, INC.,**  
a Utah corporation

By:   
David W. Peters, President

LENDER

**ZIONS FIRST NATIONAL BANK,**  
a national banking association

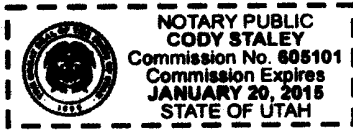
By:   
Ryan J. Speirs  
Vice President



STATE OF UTAH )  
 : ss.  
COUNTY OF ~~SALT LAKE~~ )

*SUMMIT*

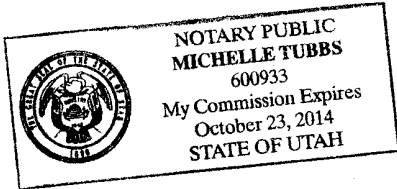
The foregoing instrument was acknowledged before me this 20 day of August, 2012, by David W. Peters, President of Terratron, Inc., a Utah corporation.



*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC

STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 23 day of August, 2012, by Ryan J. Speirs, Vice President of Zions First National Bank, a national banking association.



*Michelle Tubbs*  
\_\_\_\_\_  
NOTARY PUBLIC

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**  
**(All Salt Lake County Properties)**

The real property located in Salt Lake County, State of Utah, and more particularly described as follows:

*[SEE ATTACHED]*

EXHIBIT A  
LEGAL DESCRIPTION

Parcel 1:            5610 West 3500 South, West Valley City, UT 84128

Beginning at a point 2 rods North and 2 rods West from the Southeast corner of Section 26, Township 1 South, Range 2 West, Salt Lake Base and Meridian, and running thence North 190 feet along the West line of 5600 West Street; thence West 190 feet; thence South 190 feet to the North line of 3500 South Street; thence East along said North line 190 feet to the point of beginning.

Less and Excepting the following:

All of that parcel of land conveyed by Dee's Inc., a Corporation organized and existing under the laws of the State of Utah to West Valley City municipal Corporation in that certain Warranty Deed dated November 20, 1980, recorded December 17, 1980, as Entry No. 3514817, in Book 5191, at Page 1090, in the Salt Lake County Recorder's Office, and being more particularly described as follows:

Beginning at a point North 0°09'50" West along the section line 33.00 feet and South 89°59'10" West 33.00 feet from the Southeast corner of Section 26, Township 1 South, Range 2 West, Salt Lake Base and Meridian, and running thence South 89°59'10" West 190.00 feet; thence 0°09'50" West 7.00 feet; thence North 89°59'10" East 170.00 feet; thence North 0°09'50" West 183.00 feet; thence North 89°59'10" East 20.00 feet; thence South 0°09'50" East 190.00 feet to the point of beginning. (Tax Parcel No. 14-26-476-008)

Parcel 2:            3300 South Highland Drive, Salt Lake City, UT 84106

Beginning at a point on the new Southerly right-of-way line of 3300 South Street, being 40.0 feet perpendicularly distant Southerly from the centerline of 3300 South Street, said point being East 243.07 feet and South 39.15 feet from a county monument located at the center of the intersection of 3300 South Street and Highland Drive, (said point of beginning being North 1128.60 feet and East 875.74 feet and South 7.0 feet from the Southwest corner of Section 28, Township 1 South, Range 1 East, Salt Lake Base and Meridian, by deed), and running thence South 00°44'56" West 185.27 feet; thence South 89°48'00" West 136.94 feet to the new Easterly right-of-way line of Highland Drive; thence along said new Easterly right-of-way line of Highland Drive the following two courses: North 14°08'58" West 84.25 feet to point 42.50 feet perpendicularly distant Easterly from the centerline of Highland Drive and North 15°15'30" West 60.06 feet; thence North 37°33'59" East 26.27 feet; thence North 52°26'01" West 5.00 feet; thence North 37°33'59" East 5.00 feet; thence South 52°26'01" East 5.00 feet; thence North 37°33'59" East 26.27 feet to said new Southerly right-of-way line of 3300 South Street which point is 40.00 feet perpendicularly distant Southerly from the centerline of 3300 South Street; thence North 89°48'00" East along said Southerly right-of-way line 140.69 feet to the point of beginning. (Tax Parcel No. 16-28-353-001)

Parcel 3A:            217 East 400 South, Salt Lake City, UT 84111

Beginning at the Southwest corner of Lot 4, Block 54, Plat "A", Salt Lake City Survey and running thence East 57 feet; thence North 56 feet 9 inches; thence West 20 inches; thence North 50 feet 7 inches; thence West 55 feet 4 inches; thence South 107 feet 4 inches to the place of beginning. (Tax Parcel No. 16-06-326-012)

Parcel 3B:

Beginning at the Southeast corner of Lot 4, Block 54, Plat "A", Salt Lake City Survey, and running thence West 108 feet; thence North 56.75 feet; thence West 1.67 feet; thence North 50.7 feet; thence East 109.67 feet; thence South 107.45 feet to the point of beginning. (Tax Parcel No. 16-06-326-013)

Parcel 3C:

Beginning 107 feet 4 inches North from the Southwest corner of Lot 4, Block 54, Plat "A", Salt Lake City Survey, and running thence North 10 feet; thence East 165 feet; thence South 10 feet; thence West 165 feet to the place of beginning.

Subject to a right-of-way over the whole thereof. (Tax Parcel No. 16-06-326-017)

Parcel 3D:

Beginning North 89°58'27" East 4.39 feet from Southwest corner of Lot 3, Block 54, Plat A, Salt Lake City Survey; thence East 45.11 feet; thence North 129.3 feet; thence West 3.93 feet; thence South 73°54'01" West 17.31 feet; thence West 11.95 feet; thence North 14.11 feet; thence West 16.99 feet; thence South 160.61 feet; thence North 89°58'27" East 4.39 feet; thence South 8 feet to beginning. (Tax Parcel No. 16-06-326-019)

Parcel 4:            3975 West 4700 South, Salt Lake City, UT 84118

Beginning at a point North 89°58'12" East 296.5 feet and South 0°01'48" East 63.0 feet from the Northwest corner of Section 8, Township 2 South, Range 1 West, Salt Lake Base and Meridian, and running thence South 0°01'48" East 74.0 feet; thence South 89°58'12" West 13.0 feet; thence South 0°01'48" East 22.0 feet; thence North 89°58'12" East 13.0 feet; thence South 0°01'48" East 54.0 feet; thence North 89°58'12" East 33.0 feet; thence North 31°23'58" East 99.72 feet; thence North 0°01'48" West 65.0 feet; thence South 89°58'12" West 85.0 feet to the point of beginning. (Tax Parcel No. 21-08-101-016)

Parcel 5:            2075 East 9400 South, Sandy, UT 84093

Beginning at a point on the North right-of-way line of 9400 South Street, North 89°56'00" East, 476.19 feet from the Southwest corner of the property deeded to Dee's, Inc., by that certain Warranty Deed recorded August 13, 1982 in Book 5402 at Page 2998 and re-recorded December 17, 1982 in Book 5426 at Page 1207 of Salt Lake County Records; said point also being North 89°56'00" East 582.58 feet along the section line and North 0°04'00" West, 53.04 feet from the Southwest corner of Section 3, Township 3 South, Range 1 East, Salt Lake Base and Meridian; thence North 0°04'00" West 157.00 feet; thence North 89°56'00" East 136.00 feet; thence South 0°04'00" East 157.00 feet to the point of beginning. (Tax Parcel No. 28-03-351-030)

Parcel 6:                    705 Fort Union Blvd., Midvale, UT 84047

Beginning at a point on the East line of 700 East Street, and on the South line of "The Gables - Phase I", a condominium, as the same is identified in the Record of Survey Map, recorded in the office of the Salt Lake County Recorder as Entry No. 3731007 in Book 82-11, at Page 90, said point being South 413.36 feet and East 55.66 feet from the Northwest corner of Section 29, Township 2 South, Range 1 East, Salt Lake Base and Meridian, running thence South 69°30'00" East 836.67 feet along the South line of "The Gables - Phase I and Phase II", thence South 15°30'00" West 73.128 feet to the North line of Fort Union Boulevard; thence Southwesterly along said North line 82.544 feet along the arc of an 887.51 foot radius curve to the left (Chord bears South 59°58'52" West 82.514 feet); thence South 57°19'00" West 404.91 feet along said North line 279.245 feet along the arc of a 749.51 foot radius curve to the right (Chord bears South 67°59'24" West 277.633 feet); thence South 15.293 feet; thence Southwesterly 112.145 feet along the arc of a 764.51 foot radius curve to the right (Chord bears South 83°05'28" West 112.04 feet); thence North 01°16'04" East 756.41 feet to the point of beginning. (Tax Parcel 22-29-101-034)

Parcel 7A:                    7025 South 2000 East, Salt Lake City, UT 84121

Beginning on the West line of the property conveyed to the Utah Department of Transportation for 2000 East Street (Highland Drive) at a point that is due South along the Highland Drive Monument line (basis of Bearing) 254.86 feet and West 46.00 feet from the County Monument at the Northeast corner of Section 28, Township 2 South, Range 1 East, Salt Lake Base and Meridian; thence West 218.00 feet; thence North 182.58 feet; thence South 82°55'00" East 219.68 feet to said West line of Street; thence South 155.50 feet to the point of beginning. (Tax Parcel No. 22-28-229-014)

Parcel 7B:

Beginning at a point that is due South along the Highland Drive Monument line (Basis of Bearing) 254.86 feet and West 53.00 feet from the County Monument at the Northeast corner of Section 28, Township 2 South, Range 1 East, Salt Lake Base and Meridian; thence West 211.00 feet; thence South 6.00 feet; thence East 211.00 feet; thence North 6.00 feet to the point of beginning. (Tax Parcel No. 22-28-229-026)