

JONES, WALDO, HOLBROOK & McDONOUGH

A PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS

SALT LAKE CITY OFFICE

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PARK CITY OFFICE

347 MAIN STREET
P. O. BOX 4065
PARK CITY, UTAH 84060
TELEPHONE (801) 364-9623

October 23, 1991

IN REPLY REFER TO:

Salt Lake City

VIA CERTIFIED MAIL

Ida Rose Hall
c/o David R. Hall
738 East 2680 North
Provo, UT 84604

Re: Final Portion of 1990 Megadiamond Payment and Recovered Attorney Fees to
Former Shareholders and Current Employees

Dear Former Megadiamond Shareholder:

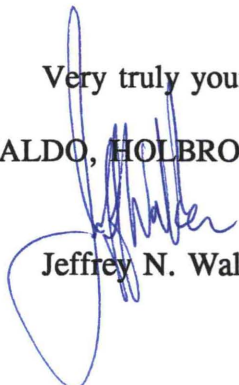
Enclosed is a check representing your portion of the 1990 Megadiamond payment under the terms of the Merger Agreement that had been retained by Megadiamond pending the resolution of the appeal in the Tenth Circuit Court of Appeals. The Tenth Circuit recently affirmed the trial court's judgment in our favor and Megadiamond has forwarded this final portion of the distribution to us. In addition, the enclosed check also contains your portion of attorney's fees recovered in this matter pursuant to the terms of the Merger Agreement, as set forth in the attached itemized accounting of this distribution.

If you have any questions regarding this distribution, please do not hesitate to call us or Duane Horton.

Kindest regards.

Very truly yours,

JONES, WALDO, HOLBROOK & McDONOUGH


Jeffrey N. Walker

Enclosures

Fourth Distribution to
Former Shareholders and Current Employees*

Total Judgment Amount	225,967.23
Contract Judgment Amount	225,967.23
Employee Trust %	7.50%
Shareholder %	92.50%
Total Contract %	100.00%
Employee Trust Amount	16,947.54
Shareholder Contract Amount	209,019.69
 Total Shareholder Judgment	 209,019.69

Fourth Distribution to
Former Shareholders and Current Employees

Shareholder Name	Number of Shares	Ownership Percent	Allocation of Payment	Net Payment Amount
Annabelle Davis	2,000.00	0.66396%	1,387.80	1,387.80
Excellence Enters. Ltd.	1,000.00	0.33198%	693.90	693.90
Barry DeWayne Wood	1,160.00	0.38510%	804.93	804.93
Catherine H. Thompson	5,500.00	1.82588%	3,816.46	3,816.46
Charlotte Hall Weight	3,960.00	1.31464%	2,747.85	2,747.85
CHW for Hannah Weight	540.00	0.17927%	374.71	374.71
CHW for Hyrum Robert Weight	540.00	0.17927%	374.71	374.71
CHW for Sarah Weight	540.00	0.17927%	374.71	374.71
Clyde H. Davis	400.00	0.13279%	277.56	277.56
Daniel & Sherlene Bartholomew	2,160.00	0.71707%	1,498.83	1,498.83
Daniel Ray Bartholomew	1,632.00	0.54179%	1,132.45	1,132.45
David R. Hall for DHD, Inc.	16,282.00	5.40528%	11,298.10	11,298.10
DRH for Emily Hall	1,800.00	0.59756%	1,249.02	1,249.02
DRH for Mark David Hall	1,800.00	0.59756%	1,249.02	1,249.02
DRH for Michael Allen Hall	1,800.00	0.59756%	1,249.02	1,249.02
DRH for Stephen Randall Hall	1,800.00	0.59756%	1,249.02	1,249.02
DRH for Barbara Hall	1,800.00	0.59756%	1,249.02	1,249.02
Debra Ann Strong Hutchison	980.00	0.32534%	680.02	680.02
Bernard Jolis	16,895.00	5.60878%	11,723.46	11,723.46
Albert Jolis	16,895.00	5.60878%	11,723.46	11,723.46
Douglas Allen Mecham	1,800.00	0.59756%	1,249.02	1,249.02
Sherlene Hall Bartholomew	1,632.00	0.54179%	1,132.45	1,132.45
SHB for Daniel Hall Bartholomew	600.00	0.19919%	416.34	416.34
SHB for Laura Bartholomew	600.00	0.19919%	416.34	416.34
R. L. Coates	900.00	0.29878%	624.51	624.51
Judith F. Edwards	1,000.00	0.33198%	693.90	693.90
Richard S. Fox	1,000.00	0.33198%	693.90	693.90
J. Earl Garrett	2,000.00	0.66396%	1,387.80	1,387.80
Elizabeth Huntington Hall	2,240.00	0.74363%	1,554.34	1,554.34
HTH for Anthony Rondot Hall	600.00	0.19919%	416.34	416.34
HTH for Elizabeth Hall	600.00	0.19919%	416.34	416.34
HTH for Huntington Tracy Hall	600.00	0.19919%	416.34	416.34
HTH for Mary Hall	600.00	0.19919%	416.34	416.34
HTH for Richard Alexander Hall	600.00	0.19919%	416.34	416.34
HTH for Robert Langford Hall	600.00	0.19919%	416.34	416.34
HTH for Spencer W. R. Hall	600.00	0.19919%	416.34	416.34
HTH for Susanna Hall	600.00	0.19919%	416.34	416.34
HTH for Zina Hall	600.00	0.19919%	416.34	416.34
Tracy Hall, Jr.	6,226.00	2.06690%	4,320.23	4,320.23
Tracy, Jr. & Elizabeth Hall	2,000.00	0.66396%	1,387.80	1,387.80
H. Tracy Hall, Sr.	8,600.00	2.85502%	5,967.55	5,967.55
Ida Rose Hall	8,500.00	2.82182%	5,898.16	5,898.16
Karen VanDyke Hall	4,500.00	1.49390%	3,122.56	3,122.56
L. Brent & Maried B. Horton	492.00	0.16333%	341.40	341.40
L. Brent Horton	5,000.00	1.65989%	3,469.51	3,469.51
Maried Black Horton	5,000.00	1.65989%	3,469.51	3,469.51
MDH for Nathan Horton	28,000.00	9.29541%	19,429.23	19,429.23

Fourth Distribution to
Former Shareholders and Current Employees

Shareholder Name	Number of Shares	Ownership Percent	Allocation of Payment	Net Payment Amount
M. Duane Horton	33,400.00	11.08809%	23,176.30	23,176.30
Wendy Horton McBride	28,000.00	9.29541%	19,429.23	19,429.23
Nancy Hall Mecham	2,970.00	0.98598%	2,060.89	2,060.89
NHM for Carli Anne Mecham	540.00	0.17927%	374.71	374.71
NHM for Chelsey Kae Mecham	540.00	0.17927%	374.71	374.71
Elizabeth Hall Neil	1,800.00	0.59756%	1,249.02	1,249.02
EHN for Emily Neil	540.00	0.17927%	374.71	374.71
EHN for Erin Tracie Neil	540.00	0.17927%	374.71	374.71
EHN for Gregory Scott Neil	540.00	0.17927%	374.71	374.71
EHN for John Patrick Neil	540.00	0.17927%	374.71	374.71
John & Elizabeth Neil	2,160.00	0.71707%	1,498.83	1,498.83
John Martin Neil	1,800.00	0.59756%	1,249.02	1,249.02
Sans Copy Profit Sharing Trust	1,601.00	0.53150%	1,110.94	1,110.94
Richard C. Stratford	5,000.00	1.65989%	3,469.51	3,469.51
Marilyn Stratford	800.00	0.26558%	555.12	555.12
Stratford Investments	7,000.00	2.32385%	4,857.31	4,857.31
Stratford Enterprises	10,000.00	3.31979%	6,939.01	6,939.01
Vera C. Stratford	8,000.00	2.65583%	5,551.21	5,551.21
Richard C. Stratford Trust	10,000.00	3.31979%	6,939.01	6,939.01
Gregory W. Strong	980.00	0.32534%	680.02	680.02
Kline D. & Suzanne B. Strong	4,459.00	1.48029%	3,094.11	3,094.11
Richard K. Strong	980.00	0.32534%	680.02	680.02
Douglas N. Thompson	5,500.00	1.82588%	3,816.46	3,816.46
Bryan Young Weight	1,800.00	0.59756%	1,249.02	1,249.02
Virginia & Barry Wood	2,400.00	0.79675%	1,665.36	1,665.36
Virginia Hall Wood	1,160.00	0.38510%	804.93	804.93
VHW for Jonathan Wesley Wood	800.00	0.26558%	555.12	555.12
VHW for Nathan Spencer Wood	800.00	0.26558%	555.12	555.12
VHW for Sarah Elizabeth Wood	800.00	0.26558%	555.12	555.12
VHW for Warren Tracy Wood	800.00	0.26558%	555.12	555.12
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TOTAL	301,224.00	100.00000%	209,019.69	209,019.69