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LOAN NO. 726428  
James D. Rasco  
FLBA of North Alabama

# AGREEMENT READJUSTING INSTALLMENT PAYMENTS

STATE OF ALABAMA §

KNOW ALL MEN BY THESE PRESENTS;

COUNTY OF SHELBY §

THAT, WHEREAS, the Farm Credit Bank of Texas, hereinafter "BANK", is now the owner and holder, whether as original payee, or as transferee and/or assignee, of that one certain promissory note executed by James D. Rasco and Betty L. Rasco, husband and wife to the Farm Credit Bank of Texas, dated July 9, 1976, in the original principal sum of \$128,000.00, which note is more fully described and secured by Mortgage dated July 9, 1976, recorded in Book 356, at Page 121, of the Land Records of Shelby County, Alabama, and which is identified on the records of said BANK as Loan Number 726428 and to which Note and Mortgage and the record thereof reference is hereby made for all pertinent purposes; and

WHEREAS, said note(s) and the lien(s) securing its(their) payment are now owned and held by the BANK, a corporation chartered under and by virtue of the laws of the United States of America; and

WHEREAS, the undersigned James D. Rasco and Betty L. Rasco; AND Ricki Morgan and Donna Morgan (collectively, the "Obligors", whether one or more), who are obligated to pay such indebtedness evidenced by the Note and/or owners of the land described in the Mortgage, have requested the BANK to reamortize and rearrange the method of paying the indebtedness evidenced and secured by the Note and the Mortgage, which request the BANK is willing to grant;

## AGREEMENT

NOW, THEREFORE, in consideration of the premises and the benefits arising hereunder, the Obligors (if more than one, jointly and severally) and the BANK agree as follows:

The Note is hereinafter modified and amended by this Agreement Readjusting Installment Payments (this "Agreement") only to the extent it is inconsistent with this Agreement.

The Mortgage is hereinafter modified and amended by this Agreement only to the extent it is inconsistent with this Agreement.

The unpaid principal balance of indebtedness owing to and held by the BANK evidenced by the Note and secured by the Mortgage is the sum of \$64,116.49 as of January 11, 1995 (the "Current Indebtedness"); and the Obligors jointly and severally promise and agree to pay the Current Indebtedness to the order of the BANK together with the interest thereon from said date until paid at the rate or rates as hereinafter provided, in the following manner:

(a) Interest shall be charged on unpaid principal until the full amount of principal has been paid. The beginning/existing interest rate shall be Ten and six-tenths percent per annum (10.60%). The interest rate may change in accordance with the provisions hereof. Interest shall be calculated on the basis of a 30-day month and a 360-day year. Changes in the payment amounts will reflect changes in the unpaid principal of my loan and in the interest rate. The BANK will determine changes in the interest rate and in the amount of installment payments as follows:

The adjustable interest rate may change on the first day of November 1, 1995, and on that day every twelfth (12th) month thereafter. Each date on which my adjustable interest rate could change is called a "Change Date".

Beginning with the first Change Date the adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one (1) year, as made available by the Federal Reserve Board. The Index figure available on the 15th day of the month preceding each Change Date is called the "Current Index".

If the Index is no longer available, the BANK will choose a new index which is based upon comparable information and will give notice of this choice.

On each Change Date, the BANK will calculate the new interest rate by adding 4.5 percentage points to the Current Index. The BANK will then round the result of this addition up to the nearest multiple of one-twentieth of one percentage point (0.050%). Subject to the limits stated herein, this rounded amount will be the new interest rate until the new Change Date.

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The Bank will then determine the amount of the payment what would be sufficient to repay the unpaid principal at the Change Date in full on the final maturity date at the new interest rate in substantially equal payments. The result of this calculation will be the new installment payment amount.

The new interest rate will become effective on each Change Date. The new payment amount shall be paid beginning on the payment date after the Change Date and will continue until the amount of my payment changes again.

(b) The principal of and interest on the Current Indebtedness are payable in thirty-two (32) semi-annual installments as follows: The first installment(s), being for interest then accrued on the Current Indebtedness, and an installment of principal shall be due and payable on the first day of March, 1995, and thereafter thirty-one (31) successive semi-annual installments including both principal and accrued interest, shall be due and payable on the first day of each March and September thereafter until the whole amount of the Current Indebtedness and all accrued interest thereon shall have been fully paid, together with interest at the Default Rate (as hereinafter defined) from maturity date of any installment not paid when due.

Bank is hereby authorized to apply any payment(s) made on this note to the payment of such part thereof as Bank may elect. All payments of principal and interest (or any part thereof) not made when due shall bear interest from the due date to the date of payment thereof by obligors or assumptors at a default rate which is equal to the current interest rate of this note at date payment is made plus an additional four percent (4%) per annum. All advances made by the Bank hereof shall be secured by and under the Mortgage and shall be payable with default interest from the date each advance is made until paid by the Obligors or assumptors at the rate which is equal to the current interest rate of this note at the date repayment is made plus an additional four percent (4%) per annum. Should repayment not be made by the Obligors or assumptors hereof, the Default Rate of interest of this note shall be fixed at the time legal proceedings of whatever character are instituted or at the time the indebtedness hereby created is matured or reinstated.

IF ANY AMOUNT OWED UNDER THIS NOTE OR THE LOAN DOCUMENTS IS NOT PAID WHEN DUE, THE HOLDER SHALL BE ENTITLED TO COLLECT DEFAULT INTEREST FROM THE DATE(S) OF DEFAULT IN AN AMOUNT PRODUCED BY APPLYING THE APPLICABLE DEFAULT INTEREST RATE AS SET OUT ABOVE TO THE AMOUNT IN DEFAULT. IF SAID DEFAULT(S) IS NOT CURED WITHIN FIFTEEN (15) DAYS OF THE OCCURRENCE OF SUCH DEFAULT(S), THE HOLDER SHALL BE ENTITLED TO COLLECT AN ADDITIONAL DEFAULT INTEREST CHARGE OF \$25.00.

IN ADDITION TO ALL DEFAULT INTEREST REFERRED TO HEREIN, IF BORROWER DEFAULT(S) AND SUCH DEFAULT(S) IS NOT CURED WITHIN FORTY-FIVE (45) DAYS OF THE OCCURRENCE OF SUCH DEFAULT(S), THE RATE OF INTEREST (WHETHER FIXED, DETERMINED IN THE DISCRETION OF HOLDER, BY APPLICATION OF A MARGIN TO AN INDEX, OR OTHERWISE) APPLICABLE TO ALL UNPAID AMOUNTS UNDER THE NOTE OR LOAN DOCUMENTS MAY BE INCREASED, AT THE OPTION OF THE HOLDER OF THIS NOTE, (WITH A CORRESPONDING INCREASE IN THE DEFAULT INTEREST RATE), PROVIDED THAT THE TOTAL OF ALL RATE INCREASES MADE PURSUANT TO THIS SENTENCE SHALL NOT EXCEED TWO PERCENT (2%).

As long as any part of the Note remains unpaid, the Obligors, their heirs, successors, and assigns, shall not sell, assign, transfer, or convey any part or all of the premises conveyed by the Mortgage (hereinafter the "Mortgaged Premises") without first obtaining the BANK's prior written consent (regardless of whether the buyer or assignee "assumes" the Note or takes the Mortgaged Premises "subject to" such Note by lease with option to purchase, or whether by contract for deed or sale or other means), which consent may be withheld for any reason (whether reasonable or not) in the sole discretion of the BANK. If an Obligor or one or more of the Obligors is a corporation or partnership, it hereby agrees not to change the substantial ownership and/or control of said corporation or partnership.

As long as the Note remains unpaid, the Obligors, or any of them, or any of their heirs, successors, and assigns shall not fail or refuse to pay their debts generally as they become due, or authorize the filing of a voluntary petition in bankruptcy, or allow the Mortgaged Premises to be taken over by a trustee, receiver or other custodian for Obligors, or any of them, or any of their heirs or assigns;

If the balance owing on the Note, or the Mortgaged Premises, shall become involved in probate or bankruptcy proceedings, all expenses and attorney's fees incurred by any holder of the Note in participating in said proceedings, as well as any sum or sums advanced under the term of the Mortgage for the payment of taxes, insurance premiums, or other items, shall become a part of the indebtedness secured by the Mortgage and be payable at the place where the Note is payable.

The BANK may, without the joinder of any other owner(s) of portion of the indebtedness secured by the Mortgage accelerate the Note and avail itself of the remedies and provisions contained in the Note and Mortgage.

All additional ad valorem taxes attributed to the Mortgaged Premises caused by a change of ownership or a change of use from agricultural use will be paid by the Obligors; and it is further agreed that the Obligors will not change the use of the Mortgaged Premises in any manner that would result in an increase in ad valorem taxes.

Upon the death of any Obligor, the owner and holder of the Note, at such holder's option, may accelerate the entire balance owing on the Note, whereupon all amounts owing by virtue thereof shall immediately be due and payable.

If any of the Mortgaged Premises has heretofore been released by written instrument duly executed by the BANK, then this Agreement shall apply only to the Mortgaged Premises that has not been released.

For the consideration herein stated the Obligors hereby transfer and assign unto the BANK, its successors and assigns, as additional security and as an additional method of payment, all of the bonuses, rentals, royalties and/or delay monies that may now be due or that may hereafter become due and payable to the Obligors, or their heirs, successors or assigns, under any oil, gas, mining and/or mineral leases or leases of any kind now existing or which may hereafter come into existence whether for farming or otherwise, covering all or any part of the Mortgaged Premises; and the lessees and their assigns, under such lease or leases are hereby directed to pay to the BANK, its successors and assigns, such bonuses, rentals, royalties and delay monies, until the Current Indebtedness and all interest and other fees or payments due under the terms of the Note and Mortgage are fully paid and discharged; and the BANK, its successors and assigns, are hereby authorized to collect and receipt therefor. All monies received by the said BANK, its successors and assigns, under the terms hereof, shall be credited on the Current Indebtedness as the BANK, its successors and assigns, may elect.

In the event any of the buildings or improvements included in the Mortgaged Premises covered by insurance are destroyed, the BANK is hereby authorized to collect the insurance and to apply the proceeds thereof as a credit on the indebtedness evidenced and secured by the Note and Mortgage, whether such indebtedness be then matured or not.

The acceptance of any additional security shall not affect any security held by the BANK, and the lien on all of such security is and shall be continued in full force and effect.

It is further agreed that the Note and Mortgage, as originally written shall be continued in full force and effect, as originally written, and as subsequently amended, with the sole exception of the changes and modifications set forth specifically herein; that pre-existing prepayment fee provision shall not be modified hereby; and that nothing herein contained shall affect or impair the validity of the items and lien if any, heretofore assigned by the BANK nor the lien in favor of the BANK but the validity and superiority of said lien is hereby recognized by Obligors as being superior to any and all rights they might have in and to the Mortgaged Premises. It is further agreed that the BANK shall continue to have the right of recourse against any and all parties who signed the Note, and/or who assumed all or any part of the indebtedness evidenced thereby, whether or not such parties join the execution of this Agreement, and nothing herein contained shall be construed as a release of such liability for the payment of said indebtedness nor as a novation of the Note.

All changes and interlineations have been made and inserted prior to the execution by the undersigned.

WITNESS our hands this 14 day of February, 1995.

James D. Rasco  
James D. Rasco

Ricki Morgan  
Ricki Morgan

Betty L. Rasco  
Betty L. Rasco

Donna Morgan  
Donna Morgan

STATE OF ALABAMA       §

COUNTY OF               §

Personally appeared before me, the undersigned authority in and for the said county and state, on this 14<sup>th</sup> day of February, 1995, within my jurisdiction, the within named James D. Rasco and Betty L. Rasco who acknowledged that they executed the above and foregoing instrument.

Lanice Brasher  
Notary Public

My Commission Expires: 12-2-96

STATE OF ALABAMA §

COUNTY OF §

Personally appeared before me, the undersigned authority in and for the said county and state, on this 14<sup>th</sup> day of February, 1995, within my jurisdiction, the within named Ricki Morgan and Donna Morgan who acknowledged that they executed the above and foregoing instrument.

Lanice Brasher  
Notary Public

My Commission Expires: 12-2-96

THIS INSTRUMENT PREPARED BY:  
Jerry A. Coleman for  
Farm Credit Bank of Texas  
P. O. Box 15919  
Austin, Texas 78761  
(512) 465-0400

Inst # 1995-03994

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