

STATE OF ALABAMA )

SHELBY COUNTY )

1750

[This instrument prepared by]

Ben A. Engel

✓ W. B. Hairston

C. R. Johanson, III

James H. Greer

Rodney N. Hyatt

4th Floor, 109 N. 20th Street

Birmingham, AL 35203

**MORTGAGE**

THIS INDENTURE, made on this 14 day of May, 1988, between Allied Flexible Products Inc., an Alabama corporation, (hereinafter referred to as "Mortgagor") and AMSOUTH BANK N.A. ("Mortgagee").

**WITNESSETH:**

WHEREAS, the said Mortgagor is and will be indebted to Mortgagee by the terms of an Amended and Restructured Loan and Security Agreement of even date and a Master Promissory Note dated July 1, 1985 (hereinafter collectively referred to as "Note" or "Agreement") in the present principal sum of \$472,000.00 payable as therein provided.

NOW THEREFORE, the undersigned Mortgagor in consideration of the premises and to secure the payment of the Obligations due and to become due pursuant to the terms of such Note and any other indebtedness (whether now existing or hereafter created) owed to Mortgagee by Mortgagor and in compliance with all the stipulations herein contained, does hereby grant, bargain, sell, and convey unto AMSOUTH BANK N.A., its successors, and assigns the Real Estate situated in Shelby County, Alabama as described in Exhibit "A" attached hereto and by this reference, made a part hereof as if fully set out herein.

[This property described in Exhibit "A"]

TOGETHER WITH all and singular the rights, members, privileges, and appurtenances thereunto belonging or in anywise appertaining; and

TOGETHER WITH any awards hereafter made for any taking of or injury to said Premises through eminent domain or otherwise, including awards or damages for change of grade, and also any return premiums or other payments upon any insurance at any time provided for the benefits of Mortgagee, all of which awards, damages, premiums, and payments are hereby assigned to Mortgagee and may be at any time collected by it.

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TO HAVE AND TO HOLD the said Premises, and every part thereof, unto Mortgagee, its successor, and assigns, forever. And Mortgagor covenants with Mortgagee that it is lawfully seized of the estate herein mortgaged and has full power and right to sell and convey the same as aforesaid, that the said Premises are free of all encumbrances except as set out in Exhibit "A" attached, that the Mortgagee hereunder and its successors and assigns shall quietly enjoy and possess the same; and Mortgagor will warrant and forever defend the title to said Premises unto Mortgagee, its successors, and the assigns, against lawful claims of all persons whomsoever.

Mortgagor will pay all indebtedness secured hereby whether presently existing or hereafter incurred. The indebtedness secured hereby may be prepaid. In the event of any acceleration of the indebtedness by reason of non-payment, breach of any covenant or agreement, or other default, the Mortgagor covenants to pay, in addition to all other amounts due, interest on and advances pursuant to the Note from maturity until paid at the rate set forth in said Note.

That, for the benefit of Mortgagee, Mortgagor will constantly keep in force fire and extended coverage insurance policies with respect to any and all buildings on said premises, such insurance to be provided in such manner and in such companies and for such amounts as may be required by Mortgagee, with loss, if any, payable to said Mortgagee as its interest may appear, and the Mortgagor covenants to pay the premium on such policy or policies when due, to deliver to the Mortgagee upon its request the official receipts for such premium payments, and upon issue of such policies to promptly deposit them with the Mortgagee as collateral security for the payment of the indebtedness hereby secured. The Mortgagor further covenants that all insurance policies will contain a clause that prohibits them from being cancelled upon less than thirty (30) days notice to Mortgagee, and to deliver to the Mortgagee at least ten (10) days before the expiration of all such insurance policies, a renewal of such policy or policies, together with official receipts for the payment of the premium thereon. Mortgagor hereby transfers, assigns, sets over, and delivers to Mortgagee the fire and other insurance policies covering said property and any and all renewals thereof, the premiums on which have been or shall be paid by Mortgagor, and it is further agreed that all such insurance and insurance policies shall be held by Mortgagee as a part of the security for said indebtedness, and shall pass to, and become the property of, the purchaser at any foreclosure sale hereunder, without the necessity of specifically describing said insurance or insurance policies in the foreclosure notice, sale, deed, or other proceedings in consummation of such foreclosure, and if the Mortgagor fails to keep said property insured as above specified, then Mortgagee may, at its option, insure said property for its insurable value against loss by fire and other

hazards, casualties, and contingencies for its own benefit, and any amount which may be expended for premiums on such insurance policies shall be secured by the lien of this mortgage and bear interest from the date of payment by Mortgagee; it being understood and agreed between the parties hereto that any sum, or sums, of money received for any damage by fire or other casualty to any building, or buildings, herein conveyed may be retained by the then holder of the indebtedness secured by this Mortgage and applied toward payment of such indebtedness, either in whole or in part, or, at the option of the holder of said debt, same may be applied in payment for any repair or replacement of such building, or buildings, without affecting the lien of this Mortgage for the full amount hereby secured. Mortgagor agrees to give Mortgagee notice in writing of any damage to the mortgaged Premises caused by fire or other casualty within ten (10) days after the occurrence of any such damage.

That said Premises and the improvements thereon shall be kept in good condition and no waste committed or permitted thereon, natural wear and tear excepted, and all taxes and assessments or other charges which may be levied upon or accrued against said Premises, as well as all other sums which may be or become liens or charges against same, shall be paid and discharged by Mortgagor promptly and when so levied or assessed, and shall not be permitted to become delinquent or to take priority over the lien of this Mortgage.

No building or other improvement on the Premises shall be structurally altered, removed or demolished, without the Mortgagee's prior written consent, nor shall any fixture or chattel covered by the Mortgage and/or Financing Agreement executed this day, and adapted to the proper use and enjoyment of the Premises be removed at any time without like consent. In the event of any breach of this covenant the Mortgagee may, in addition to any other rights or remedies, at any time thereafter, declare the whole of said indebtedness immediately due and payable.

Any lien which may be filed under the provisions of the statutes of Alabama, relating to the liens of mechanics and materialmen, shall be promptly paid and discharged by Mortgagor and shall not be permitted to take priority over the lien of this Mortgage, provided that Mortgagor, upon first furnishing to Mortgagee reasonable security for the payment of all liability, costs, and expenses of the litigation, may in good faith contest, at Mortgagor's expense, the validity of any such lien or liens. In those instances where Mortgagee's title policy protects it against such lien or liens such title policy shall be deemed to be sufficient security. Determination of whether said title policy protects Mortgagee shall be made solely by Mortgagee and shall be binding upon Mortgagor.

If Mortgagor shall fail to insure said property as hereinabove provided, or to pay all or any part of the taxes or assessments levied, accrued, or assessed upon or against interest of Mortgagee in either, or fails to pay immediately and discharge any and all liens, debts, and/or charges which might become liens superior to the lien of this Mortgage, Mortgagee may, at its option, insure said property and/or pay said taxes, assessments, debts, liens, and/or charges, and any money which Mortgagee shall have so paid or become obligated to pay shall constitute a debt to Mortgagee additional to the debt hereby specially secured, shall be secured by this Mortgage, shall bear the highest legal interest from date paid or incurred and, at the option of the Mortgagee, shall be immediately due and payable.

No failure of Mortgagee to exercise any option, herein given to declare the maturity of the debt hereby secured shall be taken or construed as a waiver of its right to exercise such option or to declare such on the part of Mortgagors; and the procurement of insurance or the payment of taxes or other liens, debts, or charges by Mortgagee shall not be taken or construed as a waiver of its right to declare the maturity of the indebtedness hereby secured by reason of the failure of Mortgagors to procure such insurance or to pay such taxes, debts, liens, or charges.

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If Mortgagee shall be made a party to any suit involving the titles to the property hereby conveyed and employs an attorney to represent it therein, or if Mortgagee employs an attorney to assist in settling or removing any cloud on the title to the property hereby conveyed that purports to be superior to the lien of this Mortgage in any respect, Mortgagor will pay to Mortgagee, when the same becomes due, such attorney's fee as may be reasonable for such services, and if such fee is paid or incurred by Mortgagee the same shall be secured by the lien of this Mortgage in addition to the indebtedness specially secured hereby, and shall bear interest from the date it is paid or incurred and shall be at once due and payable.

All expenses incurred by Mortgagee, including attorney's fees, in compromising, adjusting, or defending against lien claims or encumbrances sought to be fixed upon the property hereby conveyed, whether such claims or encumbrances be valid or not, shall become a part of the debt hereby secured.

Mortgagor agrees to pay a reasonable attorney's fee to Mortgagee should the Mortgagee employ an attorney to collect any indebtedness secured by this Mortgage.

Notwithstanding that the assignment of awards hereinabove referred to shall be deemed to be self-executing, Mortgagor, after the allowance of a condemnation claim or award, and the ascertainment of the amount due thereon, and the issuing of a warrant by the condemnor for the payment thereof, shall execute,

at Mortgagee's request, and forthwith deliver to Mortgagee, a valid assignment in recordable form, assigning all of such condemnation claims, awards or damages to Mortgagee, but not in excess of an amount sufficient to pay, satisfy, and discharge the principal sum of this Mortgage and any advances made by Mortgagee as herein provided then remaining unpaid, with interest thereon at the rate specified in the Note and/or Financing Agreement which this Mortgage secures, to the date of payment, whether such remaining principal sum is then due or not by the terms of said Note, Financing Agreement or of this Mortgage.

If Mortgagor shall make default in the payment of any of the indebtedness hereby secured, or in the performances of any of the terms or conditions hereof, Mortgagee may proceed to collect the rent, income, and profits from the Premises, either with or without the appointment of a receiver; any rents, income, and profits collected by Mortgagee prior to foreclosure of this Mortgage, less the cost of collecting the same, including any Real Estate commission or attorneys' fee incurred, shall be credited first to advances with interest thereon, then to interest due on the principal indebtedness, and the remainder, if any, to the principal debt hereby secured.

BOOK 185 PAGE 834 It is further agreed that if Mortgagor shall fail to pay, or cause to be paid, the whole or any portion of the principal sum, or any installment of interest thereon, or any other sum the payment of which is hereby secured, as they or any of them mature, either by lapse of time or otherwise, in accordance with the agreements and covenants herein contained, or should default be made in the payment of any mechanic's lien, materialmen's lien, insurance premiums, taxes, or assessments now, or which may hereafter be levied against, or which may become a lien on, said property, or should default be made in any of the covenants, conditions, and agreements herein contained, then and in that event, the whole of said principal sum, with interest thereon, and all other sums secured hereby, shall, at the option of the then holder of said indebtedness, be and become immediately due and payable and the holder of the debt hereby secured shall have the right to enter upon and take possession of said property and after, or without, taking such possession of the same, sell the mortgaged property at public outcry, in front of the courthouse door of the county wherein said property is located, to the highest bidder for cash, either in person or by auctioneer, after first giving notice of the time, place, and terms of such sale by publication once a week for three (3) successive weeks in some newspaper published in said county, and, upon the payment of the purchase money, the Mortgagee or any person conducting said sale for it is authorized and empowered to execute to the purchaser at said sale a deed to the property so purchased in the name and on behalf of Mortgagor, and the certificate of the holder of the mortgage indebtedness, appointing said auctioneer to make such sale, shall be prima facie evidence of his authority in the



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Premises, or the equity of redemption from this Mortgage may be foreclosed by suit in any court of competent jurisdiction as now provided by law in the case of past due mortgages, the Mortgage, or the then holder of the indebtedness hereby secured, any bid at any such sale and become the purchaser of said property of the highest bidder therefor. The proceeds of any such sale shall be applied (a) to the expenses incurred in making the sale and in all prior efforts to effect collection of the indebtedness secured hereby, including a reasonable attorney's fee, or reasonable attorneys' fees, for such services as may be, or have been necessary in any one or more of the foreclosure of this Mortgage, of the collection of said indebtedness, and of the pursuit of any efforts theretofore directed to that end, including, but without limitation to, the defense of any proceedings instituted by the Mortgagors or anyone liable for said indebtedness or interest in the mortgaged Premises to prevent or delay, by any means, the exercise of said power of sale on the foreclosure of this Mortgage; (b) to the payment of whatever sum or sums Mortgagee may have paid out or become liable to pay, in carrying out the provisions of this Mortgage, together with interest thereon; (c) to the payment and satisfaction of said principal indebtedness and interest thereon to the day of sale; and (d) the balance, if any, shall be paid over to Mortgagors, or Mortgagors' successors or assigns. In any event, the purchaser under any foreclosure sale, as provided herein, shall be under no obligation to see to the proper application of the purchase money.

Should Mortgagor become insolvent or bankrupt; or should a receiver of Mortgagor's property be appointed; or should Mortgagor intentionally damage or attempt to remove any improvement upon said mortgaged real estate; or should it be discovered after the execution and delivery of this instrument that there is a defect in the title to or a lien or encumbrance of any nature on said property prior to the lien hereof; or in case of a error or defect to the above described Financing Agreement, or the documents referred to therein, or this instrument, or in the execution or the acknowledgement thereof; or if a homestead claim be set up to said property or any part thereof adverse to this Mortgage and if the said Mortgagor shall fail for thirty (30) days after demand by the Mortgagee, or other holder or holders of said indebtedness, to correct such defects in the title or to remove any such lien or encumbrance or homestead claim, or to correct any error in said Financing Agreements or the instruments referred to therein or this instrument or its execution; then, upon any such default, failure, or contingency, the Mortgagee, or other holder or holders of said indebtedness, or any part thereof, shall have the option or right, without notice or demand, to declare all of said indebtedness then remaining unpaid immediately due and payable, and may immediately or at any time thereafter foreclose this

Mortgage by the power of sale herein contained or by suit, as such Mortgagee, or other holder or holders of said indebtedness, may elect.

It is expressly agreed that any indebtedness at any time secured hereby may be extended, rearranged or renewed, and that any part of the security herein described may be waived or released without in anywise altering, varying, or diminishing the force, effect, or lien of this instrument; and this instrument shall continue as a lien, subject only to those liens and encumbrances noted herein, on all of said lands and Premises and other property and rights covered hereby and not expressly released until all sums with interest and charges hereby secured are fully paid; and no other security now existing or hereafter taken to secure the payment of said indebtedness or any part thereof shall in any manner be impaired or affected by the execution of this instrument; and no security subsequently taken by Mortgagee or other holder or holders of said indebtedness shall in any manner impair or affect the security given by this instrument; and all security for the payment of said indebtedness or any part thereof shall be taken, considered and held as cumulative.

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In the event of default, the Mortgagors agree that the Mortgagee shall be entitled without the necessity of a hearing or notice to Mortgagor to the appointment of a receiver to take care of the Premises, to collect the rents, issues, and profits, and to keep the Premises in good repair, and to apply the rents, issues and profits to the payment of the debts secured hereby.

In the event of any change in the present ownership of all or any part of the mortgaged Premises or any interest therein, either by affirmative action, by operation of law or otherwise, or in the event any further encumbrance of the mortgaged Premises is created without Mortgagee's prior approval, Mortgagee may, at its option, declare the indebtedness due and payable in full.

If the indebtedness secured hereby, or any other debt owed by Mortgagors to Mortgagee, is now or hereafter further secured by security interest or mortgages, pledges, contracts of guaranty, assignments of leases or other securities, the Mortgagee may, at its option, exhaust any one or more of said securities and the security hereunder, either concurrently or independently, and in such order as the Mortgagee may determine.

Provided always that if the indebtedness secured by this Mortgage is paid, and Mortgagee, its successors, and assigns is reimbursed for any amounts it may have expended pursuant to the authorization of this Mortgage, including without limitation, sums spent in payment of taxes, assessments, insurance, or other liens and interest thereon, and shall do and perform all other

acts and things herein agreed to be done, this conveyance shall be null and void; otherwise it shall remain in full force and effect.

Wherever and whenever in this Mortgage it shall be required or permitted that notice or demand be given or served by any party, such notice or demand shall be given or served, and shall not be deemed to have been given or served unless in writing and forwarded by registered or certified mail, return receipt requested, addressed as follows:

To Mortgagors: Allied Flexible Products Inc.  
P. O. Box 400  
Helena, AL 35080

To Mortgagee: Amsouth Bank N. A.  
P.O. Box 11007  
Birmingham, AL 35288  
Attn: Commercial Finance Dept.

or to such other address as either party may have given to the other by notice as hereinabove provided.

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Singular or plural words used herein to designate the Mortgagors shall be construed to refer to the maker or makers of this Mortgage, whether one or more persons or a corporation, and all covenants and agreements herein contained shall bind the successors and assigns of the Mortgagors, and every option, right, and privilege herein reserved or secured to Mortgagee shall inure to the benefit of its successors and assigns.

BOOK The unenforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions herein contained unenforceable or invalid. All rights or remedies of Mortgagee hereunder are cumulative and not alternative, and are in addition to those provided by law.

IN WITNESS WHEREOF, the party constituting Mortgagor has hereto set his hand and seal on this the 4 day of May, 1988

ATTEST:

*Harold Lead*  
Secretary

ALLIED FLEXIBLE PRODUCTS INC.

BY:

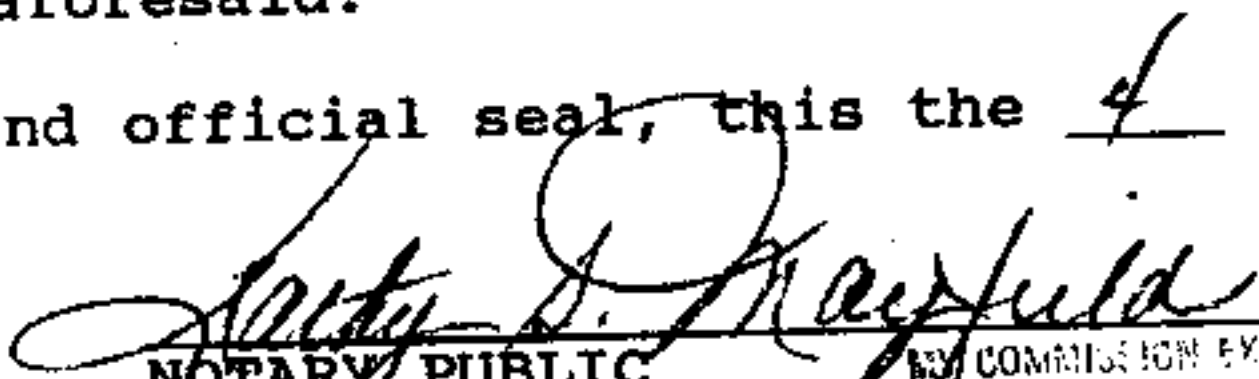
*Harold Lead*  
(Its President)



STATE OF ALABAMA     )  
JEFFERSON COUNTY    )

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Harold P. Leader, whose name as President of Allied Flexible Products Inc., is signed to the foregoing conveyance, and who is known to me, acknowledges before me on this day that, being informed of the contents of said conveyance, he, as such officer, and with full authority, executed the same voluntarily, as an act of said corporation, acting in his capacity as aforesaid.

Given under my hand and official seal, this the 4 day of May, 1988.

  
NOTARY PUBLIC     My Commission Expires OCTOBER 9, 1990  
My Commission Expires: \_\_\_\_\_

This instrument prepared by  
and after recording should  
be returned to:

William B. Hairston, Jr.  
Engel Hairston and Johanson, P. C.  
4th Floor, 109 N. 20th Street  
Birmingham, AL 35203  
(205) 328-4600

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EXHIBIT A

Description of Real Estate

PARCEL #1:

A part of the NW1/4 of SE1/4 of Section 15, Township 20 South, Range 3 West, more particularly described as follows: Commence at the SE corner of the NE1/4 of SE1/4 of Section 15, and run Westerly along South line a distance of 871.46 feet; thence continue Westerly along South line a distance of 1317.5 feet; thence turn angle to right of 78 deg. 20' and run 339.02 feet, more or less, to North line of a 50-foot road, for the point of beginning; thence continue in the same direction a distance of 287.58 feet to the SW corner of property sold to Allied Flexible Products, Inc.; thence turn an angle to right of 101 deg. 39' and run Easterly along South line of Allied Flexible Products, Inc. property 811.23 feet to the NW corner of property sold to August Leonard Armstrong and Merle S. Armstrong, as described in Deed Book 251, on Page 402, in Probate Office of Shelby County, Alabama; thence turn an angle to right of 100 deg. 19' 30" and run 292.25 feet to North right of way line of a 50-foot road- way; thence run Westerly along North line of said 50-foot roadway 696.10 feet to point of beginning.

PARCEL #2:

From the Southwest corner of the NW1/4 of the SE1/4 of Section 15, Township 20 South, Range 3 West, run Easterly along the South line of said quarter-quarter Section for a distance of 455.21 feet; thence turn left an angle of 101 deg. 40 min. and run Northwesterly 626.60 feet to the point of beginning of the land herein described; thence continue Northwesterly 715.51 feet to the South right-of-way of L & N Railroad; thence turn right an angle of 90 deg. 22 min. and run Northeasterly 477 feet; thence turn right an angle of 124 deg. 39 min. and run Southwesterly 78.94 feet; thence turn left an angle of 16 deg. 09 min. and run Southwesterly 156.74 feet; thence turn left an angle of 59 deg. 22 min. and run Southeasterly 151.36 feet; thence turn left an angle of 53 deg. 48 min. North-easterly 249.73 feet; thence turn right an angle of 43 deg. 56 min. 20 sec. and run Southeasterly 176.79 feet; thence turn right an angle of 3 deg. 35 min. 20 sec. and run Southeasterly 200.88 feet; thence turn right an angle of 54 deg. 14 min. and run Southeasterly 160.09 feet; thence turn right an angle of 44 deg. 31 min. and run Southwesterly 247.19 feet; thence

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turn right an angle of 49 deg. 34 min. and run Westerly 811.23 feet to the point of beginning.

Also, including all the land that lies West of the center of Prairie Branch and the above described land.

THERE IS EXCEPTED FROM SAID DESCRIPTION, the following described property: EXCEPTING therefrom the lot and right-of-way owned by the Water Works Board of the Town of Helena, being described as follows: Commencing at the point where the South right-of-way line of the L & N Railroad crosses the center of Prairie Branch in the N1/2 of NW1/4 of SE1/4 of Section 15, Township 20 South, Range 3 West, and run in a Westerly direction along the right-of-way line 190-1/2 feet to the point of beginning of the parcel described in this exception: thence turn an angle of 96 deg. 20 min. to the left and run 244.20 feet; thence turn an angle of 90 deg. to the left and run 17-1/2 feet; thence turn an angle of 90 deg. to the right and run 50 feet; thence turn an angle of 90 deg. to the right and run 50 feet; thence turn an angle of 90 deg. to the right and run 50 feet; thence turn an angle of 90 deg. to the right and run 17-1/2 feet; thence turn an angle of 90 deg. to the left and run 244.20 feet to said right of way line of said railroad; thence along same in an Easterly direction 15 feet to the point of beginning.

Also EXCEPT a 10-foot right-of-way being 5 feet on either side of the following described line: Commence at a point where the center line of First Avenue intersects the East line of Rolling Mill Street, said point being 665 feet East of the East property line of Main Street in the Town of Helena, Alabama, sight Southly along said right-of-way line of Rolling Mill Street; thence turn an angle of 89 deg. 5 min. to the left and run a line of 889.5 feet to the center line of Cobb Spring Branch to the point of beginning; thence continue Easterly and in the same direction 150 feet to a point; thence turn an angle of 4 deg. 4 min. to the left and run 133 feet; being situated in the N1/2 of NW1/4 of SE1/4 of said Section 15, Township 20 South, Range 3 West.

Situated in Shelby County, Alabama.

Subject to:

1. Right of way to Alabama Power Company as recorded in Deed Book 54, Page 166, and in Deed Book 54, Page 168, and Deed Book 57, Page 88, and transmission line permit to Alabama Power Company as recorded in Deed Book 146, Page 304; and Deed Book 199, Page 446, in Probate Office of Shelby County, Alabama.
2. Pipe line easement to Plantation Pipe Line Company dated 16th August, 1941 and recorded in Deed Book 112, Page 296, in Probate Office.
3. Mortgage to Jefferson Federal Savings and Loan Association of Birmingham dated January 26, 1984 and recorded in Mortgage Book 442, Page 605, in the Probate Office of Shelby County.
4. Ad valorem taxes for the current year which are a lien but not yet due and payable.
5. Mortgage to AmSouth Bank N.A. dated October 1, 1985 and recorded in Real Book 44, Page 205-285 in the Probate Office of Shelby County, Alabama.

ALLIED FLEXIBLE PRODUCTS INC.

BY: Harold Linder, President

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STATE OF ALA. SHELBY  
I CERTIFY THIS  
INSTRUMENT WAS FILED

88 MAY 24 PM 12:11

Thomas A. Summerville, Jr.  
JUDGE OF PROBATE

1. Deed Tax	\$	_____
2. Mtg. Tax		<u>108.00</u>
3. Recording Fee		<u>30.00</u>
4. Indexing Fee		<u>1.00</u>
TOTAL		<u>139.00</u>