

STATE OF ALABAMA

COUNTY OF SHELBY

SBA Loan #CLP 5971663004 BIR

SUBORDINATION

WHEREAS, Lott Enterprises, Inc., an Alabama Corporation hereinafter termed "Borrower" is presently indebted to National Bank of Commerce of Birmingham, as evidenced by that certain promissory note executed by said Borrower in favor of National Bank of Commerce of Birmingham; and

WHEREAS, said Note is secured by that certain security agreement executed by said Borrower in favor of National Bank of Commerce of Birmingham, and recorded with the Alabama Secretary of State;

WHEREAS, said Borrower is desirous of obtaining an additional loan from Southland Bank, their successors or assigns, as their interest may appear, for the purpose of purchasing a 10" Shark Class Dredger; and

WHEREAS, Southland Bank requires the Borrower to secure said loan with a security agreement, and further requests that National Bank of Commerce of Birmingham, subordinate their security agreement dated June 26, 1993, and their UCC-1 recorded with the Alabama Secretary of State on August 17, 1993, to the security agreement and UCC-1 dated October 15, 1993, and filed by Southland Bank, their successors or assigns as their interest may appear.

NOW THEREFORE, in and for good and valuable consideration, and in order to induce Southland Bank to make said additional loan to said Borrower, National Bank of Commerce of Birmingham, does hereby subordinate their security agreement dated June 26, 1993, and their UCC-1 recorded with the Alabama Secretary of State on August 17, 1993, to the security agreement and UCC-1 dated October 15, 1993, and filed by Southland Bank, their successors or assigns as their interest may appear which secures said additional loan.

IT IS EXPRESSLY AGREED AND UNDERSTOOD that neither this Subordination Agreement nor anything contained herein shall in any way alter or affect the validity of the security agreement of National Bank of Commerce of Birmingham, first mentioned herein.

IN WITNESS WHEREOF, National Bank of Commerce of Birmingham, has caused this Subordination Agreement to be executed by W. H. Isbell, Jr., Vice President, with full authority on behalf of said bank.

THIS, the 15TH day of October, 1993.

National Bank of Commerce of Birmingham

BY:

W. H. Isbell, Jr.
W. H. ISBELL, JR.

VICE PRESIDENT

National Bank of Commerce of Birmingham
Post Office Box 10686
Birmingham, Alabama 35202-0686

STATE OF ALABAMA

COUNTY OF JEFFERSON

Before me, the undersigned Notary Public in and for said County in said State, personally appeared W. H. Isbell, Jr., Vice President, with whom I am acquainted, and who, upon oath acknowledged himself to be W. H. Isbell, Jr., Vice President of National Bank of Commerce of Birmingham, that he, as being authorized so to do, executed and delivered the foregoing Subordination Agreement, freely and voluntarily and with full knowledge of the contents thereof, for the purposes herein expressed, by signing the name of said National Bank of Commerce of Birmingham, by himself in full authority.

WITNESS MY HAND and official seal of office in Birmingham, Alabama this the 15 day of October, 1993.


Notary Public
My Commission Expires MY COMMISSION EXPIRES MARCH 14, 1995

This instrument prepared by:
J. WILSON DINSMORE
ATTORNEY AT LAW
2107 5th Avenue, North
Birmingham, Alabama 35203

Inst # 1993-32883
10/22/1993-32883
07:57 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 MEL 13,50