

**AMENDMENT TO REAL ESTATE NOTE  
FOR FIXED RATE CONVERSION OPTION ARM**

This Amendment shall amend that certain real estate note (the "Note") dated Sept. 23, 1992, in the original principal amount of One Hundred Twenty Eight Thousand Five Hundred & no/100--Dollars (\$128,500.00) executed by James W McIver & Katherine N McIver ("Borrowers", whether one or more) and delivered to CENTRAL BANK of the South ("Lender").

For good and valuable consideration, Lender and Borrowers agree that the Note is amended as follows:

1. **INTEREST**

Effective Novmeber 12, 1993, Section 2 of the Note relating to interest charged is replaced by the following provision:

"Interest will be charged on that part of principal which has not been paid. I will pay interest at an initial yearly rate of 4.45 percent. The interest rate I will pay will change in accordance with this Amendment."

2. **PAYMENTS**

The remaining payments on the Note shall be recalculated based on the amended interest rate set forth in this Amendment, with the first new payment amount due on December 12, 1993. Section 3 of the Note relating to payments is replaced by the following provisions:

"I will pay the amounts due under this note by making consecutive monthly payments on the 12th day of each month, beginning December 12, 1993.

If required by the Lender, I will pay one-twelfth (1/12) of my annual taxes and insurance on the mortgaged property (the escrow requirement) each month in addition to my monthly payment of principal and interest. Lender will apply my payments first to the escrow requirement, second to interest, third to late charges and Lender's cost and expenses (as described in other sections of this note), and then to principal.

If the Lender receives a payment amount that is not sufficient to pay all interest which has been earned by Lender since my last payment, the Lender may advance an amount equal to the interest earned but unpaid after application of my payment. The amount advanced by Lender will be added to the principal of this note and I will pay interest on the amount advanced.

My first twelve (12) monthly payments will be in the amount of \$987.73 (the "Beginning Monthly Payment"). Each year, after Lender has received my 12 previously scheduled payments, the Lender will use the balance due under this note and the interest rate applicable to this note at that time to calculate my adjusted monthly payment amount."

3. **INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The interest rate and monthly payment provisions of the Note, as amended hereby, are subject to the following provisions:

"(A) **CHANGE DATES**

The interest rate I will pay may change on the 12th day of November, 1994 and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) **THE INDEX**

Beginning with the first Change Date, my interest rate will be based on an index. The Index will be the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The Index is published in the "Key Money Rates" section of USA TODAY. The most recent Index figure available before each Change Date is called the "Current Index." If the Index is no longer available, the Lender will choose a new Index which is based upon comparable information. The Lender will give me notice of its choice.

(C) **CALCULATION OF CHANGES**

On each Change Date, the Lender will calculate my new interest rate by adding 2.85 percentage points to the Current Index. This sum will be my new interest rate until the next Change Date, subject to any limits in Section 4(D) below.

The Lender will then determine the amount of the monthly payments that would be sufficient to repay the unpaid principal that I owe at the Change Date in full by September 12, 2007, which is the maturity date of this note. The result of this calculation will be the new amount of my monthly payment.

(D) **LIMITS ON INTEREST RATE CHANGES**

My interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never go below 4.45 percent nor be greater than 9.90 percent.

(E) **EFFECTIVE DATE OF CHANGES**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again or until I have fully repaid this note.

Inst # 1993-37349  
11/23/1993-37349  
01:36 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
002 HEL 11.00

(F) NOTICE OF CHANGES

The Lender will mail or deliver to me a notice containing my new interest rate and the amount of my monthly payment. The notice will include information required by law to be given me. Any notice to me may be sent or delivered to the address stated below, or to such other address as I may designate to the Lender in writing."

4. FIXED RATE CONVERSION OPTION

The Note, as amended hereby, shall include the following new provision:

"13. FIXED INTEREST RATE CONVERSION OPTION

(A) Option to Convert to Fixed Rate

I have a "Conversion Option" that I can exercise unless I am in default or this Section 13(A) will not permit me to do so. The Conversion Option is my option to convert the interest rate I am required to pay by the note from an adjustable rate with interest rate limits to a fixed rate as calculated under Section 13(B) below.

The conversion can only take place on or after the first Change Date. The date on which I convert my adjustable rate to a fixed rate is called the "Conversion Date."

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (i) I must give the Lender written notice that I want to do so; (ii) on the Conversion Date, I must not be in default under the note or the Security Instrument; (iii) I must pay the Lender a conversion fee of Five Hundred and 00/100 Dollars (\$500.00); and (iv) I must sign and give the Lender any documents the Lender requires to effect the conversion.

(B) Calculation of Fixed Rate

The fixed interest rate will be determined by adding 2.50 percentage points to a "Conversion Index." The Conversion Index will be the weekly average yield on United States Treasury Securities adjusted to a constant maturity of five years, as made available by the Federal Reserve Board. My fixed rate will be determined based on the most recently available Conversion Index prior to my Conversion Date. If the Conversion Index is no longer available, the Lender will choose a new Conversion Index. My interest rate may increase if I elect to convert to a fixed rate. My new rate calculated under this Section 13(B) will not be greater than the maximum rate stated in Section 4(D) of the note.

(C) New Payment Amount and Effective Date

If I choose to exercise the Conversion Option, the Lender will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal on the Conversion Date in full by the Maturity Date at the fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment until the Maturity Date."

5. SECURITY

The Note, as amended hereby, shall continue to be secured by the Security Instrument described in the Note.

6. OTHER CONDITIONS OF NOTE TO REMAIN IN EFFECT

Except as amended hereby, all other terms and conditions of the Note shall remain in full force and effect.

IN WITNESS WHEREOF, Borrowers and Lender have caused this Amendment to the Note to be executed as of the 12th day of November, 1993.

CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

ADDRESS:

3631 Stratford Way

Birmingham, AL 35242

BORROWERS:

James W McIver

Katherine N McIver

LENDER:

COMPASS BANK

By: [Signature]

Its: Loan Officer