

## 16269

REORDER FROM  
**Registre, Inc.**  
514 MERCE ST.  
P.O. BOX 218  
ANOKA, MN. 55303  
(612) 421-1713

Inst # 1996-15395  
05/10/1996-15395  
09:43 AM CERTIFIED  
SHELBY COUNTY JUDGE DE PROBATE  
DO NOT FILE

FILED WITH:

~~XXXXXXXXXXXX~~ Judge of Probate

4. ASSIGNEE OF SECURED PARTY	(IF ANY)	(Last Name First if a Person)
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Highland Bank  
2211 Highland Avenue South  
Birmingham, Alabama 35205

5A. Enter Code(s) From Back of Form That Best Describes The Collateral Covered By This Filing:

Check X if covered: ☐ Products of Collateral are also covered.

7. Complete only when filing with the Judge of Probate:  
The initial indebtedness secured by this financing statement is \$ 16,185.00

Mortgage tax due (15¢ per \$100.00 or fraction thereof) \$ 24.28

8. ☐ This financing statement covers timber to be cut, crops, or fixtures and is to be cross indexed in the real estate mortgage records (Describe real estate and if debtor does not have an interest of record, give name of record owner in Box 5)

**Signature(s) of Secured Party(ies)**  
(Required only if filed without debtor's Signature — see Box 6)

Signature(s) of Debtor(s)  
 Signature(s) of Debtor(s)  
 Marcus Allen Barnes, Individual d/b/a  
 Central Home Transport  
 Type Name of Individual or Business

Signature(s) of Secured Party(ies) or Assignee  
*Kim Reus, Lease Adm*  
 Signature(s) of Secured Party(ies) or Assignee  
**First Commerce Leasing Corporation**  
 Type Name of Individual or Business

## SECURITY AGREEMENT

### DEBTOR:

Marcus Allen Barnes and  
Paula Barnes  
11831 County Road 73  
Montevallo, Alabama 35115

### SECURED PARTY:

First Commerce Leasing Corporation  
2496 Rocky Ridge Road  
P.O. Box 43040  
Birmingham, Alabama 35243

Date: May 2, 1996

1. For valuable consideration, receipt of which is hereby acknowledged, and in further consideration of the Secured Obligations (as hereinafter defined), the undersigned (whether one or more than one, hereinafter referred to as "Debtor") hereby grants, bargains, sells, assigns, and sets over to the Secured Party named above (hereinafter referred to as "Secured Party"), and grants to Secured Party a security interest in, the following property and rights of Debtor:

1988 May FDS-40 New Image 16 X 80 3+2 Serial Number: MAL4814

(All of the property and rights described above are sometimes hereinafter referred to collectively as "the Collateral").

2. This agreement, and the security interest herein granted, secures the payment and performance of all obligations of Debtor to Secured Party under that certain lease Agreement dated May 2, 1996, together with every other loan or other extension of credit heretofore, now, or hereafter made to Debtor by Secured Party, any extensions or renewals thereof, and all interest due or to become due to Secured Party on each such loan or other extension of credit. (All of the debts and other obligations described in the preceding sentence are hereinafter referred to collectively as the "Secured Obligations").

3. Debtor represents and warrants to Secured Party that:

(a) Debtor's Equipment is kept or stored only at the address shown below Debtor's name at the beginning of this agreement and at the following address(es) (use separate schedule if necessary):

[address(es) of equipment]

(Failure to list any address where Equipment is kept shall not limit Secured Party's security interest, which covers all Equipment of Debtor, wherever located).

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Debtor agrees not to keep or store any Equipment at any address other than those set forth above except upon not less than ten (10) days advance notice in writing to Secured Party and upon compliance with the remaining terms of this agreement.

(b) The address where the records concerning Debtor's Accounts are kept and the address of Debtor's chief executive office is the address shown below Debtor's name at the beginning of this agreement. Debtor agrees not to change the address where the records concerning Debtor's Accounts are kept or the address of Debtor's chief executive office except upon not less than ten (10) days advance notice in writing to Secured Party and compliance with the remaining terms of this agreement.

(c) If Debtor is a corporation, Debtor is duly organized and existing in good standing under the laws of the state of its incorporation and is duly qualified and in good standing in every other state in which the nature of its business or the ownership of its properties makes qualification necessary.

(d) If Debtor is a corporation, the execution, delivery, and performance of this agreement are within Debtor's corporate powers, have been duly authorized, are not in contravention of law or the terms of Debtor's certificate of incorporation, bylaws, or other incorporation papers, or of an indenture, agreement, or undertaking to which Debtor is a party or by which Debtor is bound.

(e) Except for the security interest granted herein, and except as otherwise noted in writing hereon or on a schedule attached hereto, Debtor is, and, as to Collateral acquired after the date hereof, will be, the owner of the Collateral free from any adverse lien, security interest or encumbrance.

4. Debtor agrees with Secured Party as follows:

Debtor will maintain insurance at all times with respect to all Equipment against risk of fire (including so-called extended coverage), theft, water damage and such other risks as Secured Party may require from time to time and, in the case of motor vehicles, against risk of collision and vandalism, in such form, for such perils, and written by such companies as may be satisfactory to Secured Party. Secured Party shall be named as loss payee under such policies of insurance. Debtor may furnish such insurance through an existing policy or a policy independently obtained and paid for by Debtor. All policies of insurance shall provide for a minimum of ten (10) days' written notice to Secured Party before cancellation. At request of Secured Party, Debtor will deliver such policies, or at Secured Party's option, certificates thereof, to Secured Party to be held by it. Debtor hereby appoints Secured Party the attorney-in-fact for Debtor for purposes of obtaining, adjusting, settling, and canceling such insurance and of endorsing in Debtor's name and giving receipt for checks and drafts issued in payment of losses and as return premiums. In the event Debtor fails to provide any insurance as required herein, Secured Party may, at its option, purchase such insurance or, at Secured Party's option after ten (10) days' notice to Debtor, insurance covering only Secured Party's interest in the



Equipment. Debtor agrees to reimburse Secured Party on demand for the cost of such insurance. Debtor hereby assigns all insurance policies at any time covering the Equipment and all returned or unearned premiums thereon to Secured Party as additional collateral for the Secured Obligations.

5. Debtor hereby covenants, represents, and warrants as follows:

(a) Debtor agrees to keep all records concerning the Collateral in a fireproof and safe place and, upon request of Secured Party, to make such records available to Secured Party, its agents, attorneys, and accountants, at any reasonable time and without hindrance or delay to allow Secured Party to inspect, audit, check or make extracts from such records.

(b) Debtor hereby represents, warrants and agrees with Secured Party that: (i) (except as otherwise noted in writing hereon or in a schedule attached to this agreement) Debtor is the owner of the Collateral, free and clear of all liens and encumbrances, and has the full right and power to transfer the Collateral to Secured Party and to grant to Secured Party the security interest provided in this agreement; (ii) Debtor will not make any other assignments of the Collateral, nor create any other security interest therein, nor permit any other financing statement to be filed in any public office with respect thereto (except as otherwise expressly agreed in writing by Secured Party), nor permit either Debtor's or Secured Party's rights therein to be reached by attachment, levy, garnishment, or other judicial process; (iii) each debt owing to Debtor which is a part of the Collateral, and all names of all account debtors, amounts owing, due dates, and other facts appearing on Debtor's records relating thereto, are true, correct and genuine and are what they purport to be, and each such debt arises out of a bona fide sale of goods or other property sold and delivered to, or out of services heretofore rendered by Debtor to, the account debtors so indicated, and the amount of each such debt is unconditionally owed to Debtor by each such account debtor, except for normal cash discounts, and is not subject to any offset, credit, deduction, or counterclaim, and Debtor is the sole owner thereof; and (iv) Debtor will promptly notify Secured Party in writing in the event any such account debtor refuses to accept or returns any goods which are the subject of any debt owed to Debtor which is a part of the Collateral, and of the bankruptcy, insolvency, or cessation of business of or by any such account debtor, and of any claim asserted against Debtor for credit allowance, adjustment, offset or counterclaim by any such account debtor.

(c) Debtor hereby irrevocably authorizes and empowers Secured Party (i) to receive and give receipt for any amount or amounts due or to become due to Debtor on account of the Collateral and to endorse and negotiate in the name of Debtor any check or other item issued in payment or on account thereof, and in the name of Secured Party or of Debtor to enforce by suit or otherwise, compromise, settle, discharge, extend the time of payment, file claims or otherwise participate in bankruptcy proceedings, and otherwise deal in and with the Collateral and any proceeds thereof; (ii) to open mail addressed to Debtor, remove any Collateral or proceeds of the Collateral therefrom, and deliver the remainder of such mail to Debtor; and (iii) to do all acts and things deemed by Secured Party to be appropriate to protect, preserve and realize upon Secured Party's security interest hereunder; but Secured Party shall

not be under any duty to exercise such authority or power or in any way responsible for collecting or realizing upon the Collateral.

6. (a) Debtor shall do, make, execute, and deliver to Secured Party all such additional and further acts, things, assignments, assurances, and instruments as Secured Party may require to more completely vest in and assure to Secured Party its rights hereunder and in or to the Collateral and the proceeds thereof. Debtor will deliver all Instruments, Documents, and Chattel Paper which constitute a part of the Collateral to Secured Party upon request, duly endorsed by Debtor to the order of Secured Party or in blank in form satisfactory to Secured Party.

(b) Debtor will pay promptly when due all taxes and assessments upon the Collateral or any part thereof, upon its use or operation, upon the proceeds thereof, upon this Security Agreement, or upon any note or notes evidencing the Secured Obligations. At its option, Secured Party may discharge any taxes, liens, security interest or other encumbrances at any item levied or placed on the Collateral or any part thereof and may pay for the maintenance and preservation of the Collateral, but Secured Party shall not be under any duty to exercise any such authority. Debtor agrees to reimburse Secured Party, upon demand, for any payment made or any expense incurred by the Secured Party pursuant to the foregoing authorization.

(c) All sums expended by Secured Party which Debtor is obligated to reimburse Secured Party under this agreement shall bear interest from the date reimbursement is due until the date paid at the rate provided in the note evidencing the Secured Obligation with respect to which the sum was expended by Secured Party, or if no single such note exists or is identifiable, then at the rate which is two percent in excess of the average of the prime rates of the three largest banks in New York City three business days before the expenditure was made, but in any event not more than the maximum rate allowed by law. All such sums and the interest thereon shall be secured by the security interest granted in this agreement.

(d) At the request of Secured Party, Debtor will execute financing statements pursuant to the Uniform Commercial Code in form and number satisfactory to Secured Party and will pay the cost of filing the same in all public offices where filing is deemed by Secured Party to be necessary or desirable. Debtor agrees that a carbon or photostatic copy of this agreement may be filed as a financing statement in any public office. If certificates of title are issued or outstanding with respect to any of the Collateral, Debtor will cause the interest of Secured Party to be properly noted thereon at Debtor's expense. Without the written consent of Secured Party, Debtor will not allow any adverse financing statement covering any of the Collateral to be on file in any public office.

7. Any or all of the Secured Obligations shall, at the option of Secured Party and notwithstanding the stated maturity date of any instrument evidencing any such Secured Obligation, become immediately due and payable without notice or demand upon the occurrence of any of the following events, each of which shall constitute a default hereunder:



(a) Debtor's failure to pay or perform as and when due any of the Secured Obligations or any note evidencing the same;

(b) Debtor's failure to pay or perform as and when due any covenant contained in this agreement or if any warranty or representation made or any writing furnished to Secured Party by or on behalf of Debtor in or in connection with this agreement is breached or is false or inaccurate in any material respect when made or furnished;

(c) Any event occurs which results in the acceleration of the maturity of any indebtedness of Debtor to others under any indenture, agreement, or undertaking;

(d) Loss, theft, damage, or destruction of any material part of the Collateral, or any levy, seizure, garnishment or attachment thereof or thereon;

(e) Death, dissolution, termination of existence, insolvency, cessation of business, or appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any chapter of the federal Bankruptcy Code or any insolvency laws by or against, Debtor or any guarantor or surety for Debtor on any of the Secured Obligations.

8. Upon the occurrence of any event of default set forth in the preceding paragraph, and at any time thereafter, Secured Party shall have the right to take possession of the Collateral and, with or without taking possession thereof, to sell the Collateral at one or more public or private sales, at Secured Party's option, and to take possession of and collect the Accounts, Instruments, Chattel Paper, and General Intangibles which are a part of the Collateral. At Secured Party's request, Debtor agrees to assemble the Collateral and to make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Debtor waives any notice of sale or other disposition of the Collateral and agrees that notice of sale or other disposition of the Collateral hereunder, or any part thereof, which cannot be waived shall be sufficient if such notice is delivered to Debtor or mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement, or such other address as Debtor shall have furnished Secured Party in writing for such purpose, at least five (5) days before the time of the sale or disposition. Debtor agrees to pay Secured Party on demand any and all expenses, including reasonable attorney's fees, incurred or paid by Secured Party in protecting or enforcing the Secured Obligations and the rights of Secured Party hereunder, including Secured Party's right to take possession of and sell or dispose of the Collateral, and in repossessing and storing the Collateral, collecting the Collateral, preparing the Collateral for sale, advertising and conducting such sale, and collecting the proceeds of such sale. Payment of all such expenses and the interest thereon shall be secured by the security interest granted in this agreement.

9. Secured Party shall have the right to set off the Secured Obligations against any indebtedness or liability of Secured Party to Debtor at any time existing. As additional security for the Secured Obligations, Debtor hereby transfers and assigns to Secured Party, and grants

to Secured Party a security interest in, all account balances, credits, deposits, and rights of withdrawal of Debtor with Secured Party, whether now owned or hereafter acquired, and whether jointly or severally held, and Debtor agrees that Secured Party shall have a lien upon and security interest in all property of Debtor of every kind now or hereafter in the possession or control of Secured Party for any reason.

10. (a) Secured Party's rights and remedies hereunder, under other agreements or instruments, and under law, are cumulative. Secured Party shall not be deemed to have waived any of its rights hereunder, under any other agreement or instrument, or under law except in a writing signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right or remedy shall operate as a waiver thereof, and a written waiver on any one occasion shall not be construed as a bar or waiver of any right or remedy on any future occasion.

(b) Whenever there is no outstanding Secured Obligation and no commitment on the part of Secured Party under any agreement which might give rise to a Secured Obligation, Debtor may terminate this agreement upon written notice to Secured Party. Prior to such termination this shall be a continuing agreement in every respect.

(c) This agreement and all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of the State of Alabama. This agreement is effective when signed by Debtor and delivered to Secured Party, and binds Debtor and inures to the benefit of Secured Party and their respective heirs, successors, and assigns. The provisions of this agreement are severable, and the invalidity or unenforceability of any provision hereof shall not affect the remaining provisions of this agreement.

(d) All terms used in this agreement which are not expressly defined herein shall have the meaning, if any, assigned to them in Article 9 of the Alabama Uniform Commercial Code.

IN WITNESS WHEREOF, Debtor has executed this agreement under seal, or the officers or agents of Debtor thereunto duly authorized have executed this agreement on behalf of Debtor, on or as of the date set forth above.

*Shyl B. Patton - Notary*

MY COMMISSION EXPIRES NOVEMBER 29, 1998

By: Marcus Allen Barnes Marcus Allen Barnes  
Its: Owner

By: Paula Barnes Paula Barnes

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