

STATE OF ALABAMA — UNIFORM COMMERCIAL CODE — FINANCING STATEMENT
FORM UCC-1 ALA.

Important: Read Instructions on Back Before Filling out Form.

F-0162

☐ The Debtor is a transmitting utility
as defined in ALA CODE 7-9-105(n).

No. of Additional
Sheets Presented:

This FINANCING STATEMENT is presented to a Filing Officer for
filing pursuant to the Uniform Commercial Code.

1. Return copy or recorded original to:

Colonial Bank
One Commerce Street
Montgomery, AL 36104

Pre-paid Acct. #

2. Name and Address of Debtor

(Last Name First if a Person)

Bama Wood, Inc.
P. O. Box 655
Wetumpka, AL 36092

Social Security/Tax ID #

2A. Name and Address of Debtor

(IF ANY)

(Last Name First if a Person)

Social Security/Tax ID #

☐ Additional debtors on attached UCC-E

3. SECURED PARTY (Last Name First if a Person)

Colonial Bank

One Commerce Street
Montgomery, AL 36104

Social Security/Tax ID #

☐ Additional secured parties on attached UCC-E

5. The Financing Statement Covers the Following Types (or items) of Property:

One timber deed dated October 15, 1996 in the amount of \$13,610.00
located in Shelby County.

See Exhibit A attached for legal description

Note#16812

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

6. This statement is filed without the debtor's signature to perfect a security interest in collateral
(check X, if so)

- ☐ already subject to a security interest in another jurisdiction when it was brought into this state.
☐ already subject to a security interest in another jurisdiction when debtor's location changed
to this state.
☐ which is proceeds of the original collateral described above in which a security interest is
perfected.
☐ acquired after a change of name, identity or corporate structure of debtor
☐ as to which the filing has lapsed.

7. Complete only when filing with the Judge of Probate:

The initial indebtedness secured by this financing statement is \$ 13,610.00

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

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)

Type Name of individual or Business

Signature(s) of Secured Party(ies) or Assignee

Signature(s) of Secured Party(ies) or Assignee

Type Name of individual or Business

(1) FILING OFFICER COPY — ALPHABETICAL
(2) FILING OFFICER COPY — NUMERICAL

(3) FILING OFFICER COPY — ACKNOWLEDGEMENT
(4) FILE COPY — SECOND PARTY(S)

(5) FILE COPY DEBTOR(S)

STANDARD FORM — UNIFORM COMMERCIAL CODE — FORM UCC-1
Approved by The Secretary of State of Alabama

Inst # 1997-00894
01/09/1997-00894
02:11 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
41.55
007 SNA

EXHIBIT A

One timber deed dated October 15, 1996 in the amount of \$13,610.00 located in Shelby County.

Section 27: NE1/4 of SE1/4, NW1/4 of SE1/4, and part of the SW1/4 of SE1/4

Section 34: Part of the NW1/4 of NE1/4

As per plat attached prepared by Ray, Peoples & White, Inc. dated October 1981, revised April, 1982.

Det 22
Bama Wood, Inc.
P. O. Box 655
Wetumpka, AL 36092-0655

TIMBER SALE CONTRACT

Avondale Mills, Inc.
1996 Blue Junk Yard (Pine Only) Timber Sale
Shelby County, Alabama

Inst # 1996-37485

STATE OF ALABAMA

COUNTY OF SHELBY

11/12/1996-37485
02:05 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 HCB 32.50

THIS CONTRACT, made and entered into on this 15th day of October, 1996 by and between Avondale Mills, Inc., c/o J. L. Meaher & Associates, Inc., P.O. Box 2672, Mobile, Alabama 36652 (hereinafter called the "Seller") and Bama Wood, Inc., P. O. Box 655, Wetumpka, Alabama 36092

(hereinafter called the "Purchaser")

WITNESSETH THAT:

For and in consideration of the sum of Thirteen Thousand Six Hundred Ten Dollars (\$13,610.00) cash in hand paid by Purchaser to the Seller the receipt of which is hereby acknowledged, Seller does hereby, subject to the exceptions, conditions, reservations, and reversions hereinafter set forth, bargain, sell and convey to Purchaser those certain merchantable pine trees suitable for sawlogs, poles, and pulpwood which have been marked by Seller or its representatives with blue paint with one or more spots above stump height and one spot below stump height which are located upon those certain lands situated in Shelby County, Alabama described as follows (NOTE: All areas not marked upon):

TOWNSHIP 21 SOUTH, RANGE 1 WEST

Section 27: NE $\frac{1}{4}$ of SE $\frac{1}{4}$, NW $\frac{1}{4}$ of SE $\frac{1}{4}$, and part of the
SW $\frac{1}{4}$ of SE $\frac{1}{4}$

Section 34: Part of the NW $\frac{1}{4}$ of NE $\frac{1}{4}$

as per plat attached prepared by Ray,
Peoples & White, Inc. dated October
1981, revised April, 1982

the general location thereof being indicated on plat attached hereto and made a part hereof; and Seller does hereby grant to Purchaser the right to cut and remove said trees within the time and subject to all of the terms and conditions as hereinafter set forth. Seller in its capacities as aforesaid does hereby represent and covenant with Purchaser that Seller in said capacity has the legal right to sell said timber and enter into this contract and Seller shall warrant and defend the title to said timber against the claims of all persons. The terms and conditions of this contract are as follows:

1. Seller and its representatives, including J. L. Meaher & Associates, Inc. whose principal office is at 2502 First National Bank Building, Mobile, Alabama 36652, shall have the right at any and all times to inspect the operations of Purchaser hereunder to assure compliance with the provisions of this contract. Prior to beginning, suspending, or resuming timber cutting operations hereunder, the Purchaser shall give advance notice thereof to said J. L. Meaher & Associates, Inc. if practicable, as much as five (5) days and in any event not less than one (1) day before any such action. Said notice may be by telephone or other verbal communication, but will be confirmed in writing postmarked by U.S. mail no later than date of said notice.

2. The Purchaser shall fell the aforesaid marked pine trees at a point not more than six (6) inches above the adjacent ground level AT ALL TIMES LEAVING VISIBLE BLUE PAINT.

In all timber felling and logging operations the Purchaser and its subcontractors, employees and other representatives engaged in the operations, shall exercise due care to avoid unnecessary damage to timber not being cut including young timber, and to prevent the occurrence or spread of woods fires in the area where such operations are being conducted and will in all respects observe and follow good forestry practices. All boundary fences are to be left clear of tops and must be repaired if damaged. All trees must be delimbed and topped before skidding unless a feller-buncher is used to pre-pile the trees before skidding. Access roads must be maintained regularly and kept passable during the logging operation. Roads used during the timber removal must be restored to a condition equal to or better than they were in prior to the removal. After the timber removal is completed, all access roads will be closed. No litter is to be left on the property. Any obstruction to the natural flow of water in the streams on the property caused by logging activity shall be promptly removed by Purchaser. Purchaser shall conduct all logging in compliance with the Best Management guidelines recommended by the Alabama Forestry Commission which are in effect at the time such logging activity is taking place. Purchaser shall not cut any unmarked pine or hardwood trees. If any unmarked pine or hardwood trees should be cut by Purchaser, its contractors, employees or other representatives, Purchaser shall be obligated to pay Seller a penalty for each such unmarked pine or hardwood tree as follows:

For pine trees or hardwood trees with stumps 11" and under in diameter, \$20.00; 12" through 17", \$250.00; 18" and up, \$500.00; provided that any such penalty may be waived by Seller in Seller's sole discretion if Seller shall deem that such cutting was necessary to the operations hereunder or was accidental.

3. All of Purchaser's operations hereunder shall be at Purchaser's own expense and by means of Purchaser's own selection, and shall be exclusively at the risk and responsibility of Purchaser; and Seller shall have no liability either directly or indirectly on account of Purchaser's operations. Purchaser shall indemnify and hold harmless the Seller against any loss, liability or expense of any kind incurred on account of personal injury, death, or property damage which may arise (or may be alleged to have arisen) from any operations hereunder by Purchaser or Purchaser's contractors, employees, agents or representatives even though such injury, death or damage may be (or may be alleged to be) attributable to negligence or other fault on the part of the Seller or Seller's officers, agents, employees or contractors; Purchaser acknowledges that the provisions of this sentence were specifically bargained for between Purchaser and Seller. Purchaser shall pay all severance taxes and all other taxes, licenses and excises required by law to be paid on account of the timber felling and logging operations hereunder.

4. To the extent the Seller may own or control lands in the vicinity of the areas to be cut, the Purchaser shall have the right of ingress and egress, to go on and across such owned and controlled lands, making use of existing roadways and trails when available, with personnel, vehicles, and other such equipment as is reasonably necessary for the purpose of felling the standing timber, cutting the products therefrom, transporting the products from the land to the nearest accessible public road or highway, but Purchaser shall not erect a mill or any other structure on the land nor make any other use of any part thereof except as herein authorized.

5. Purchaser shall complete the cutting and removal of the aforesaid timber on or before September 23, 1999 and on September 24, 1999 the title to any of said trees standing upon said lands and the title to any trees or timber which has been felled, but not removed from said lands shall thereupon revert to Seller and Purchaser shall have no further right, title or interest therein. The said dates may be extended only by instrument in writing executed and acknowledged by Seller and recorded by Purchaser in the public records of Shelby County, Alabama.

6. Seller and its representatives and assigns have the right to go upon said lands and to perform any acts or operations thereon that will not unreasonably interfere with the right of Purchaser to cut and remove the timber as provided herein; and Seller shall continue to have the full right to sell, lease or otherwise dispose of any said lands, provided that the exercise of such rights shall be made expressly subject to the rights of Purchaser under this contract. Purchaser shall have no right to sell, convey or assign the said timber or any right of Purchaser hereunder to any other person or party unless the Seller shall give its consent thereto by instrument in writing duly executed and acknowledged by Seller; and in any event Purchaser shall remain responsible for all obligations of Purchaser herein.

7. Any violation by Purchaser of the terms and provisions of this contract shall constitute grounds for suspension by Seller of the cutting by Purchaser under the provisions hereof.

8. Upon execution of this contract, Purchaser has deposited with Seller a Certified or Cashier's check in the amount of ten percent (10%) of the sale price stated above, which check is made payable to J. L. Meaher & Associates, Inc. After the expiration of the time for cutting under this timber contract as provided in Paragraph 5 above, and a final inspection of the cutting made jointly by the Seller or its agents and Purchaser or its agents, if Purchaser shall have complied with all of its obligations under the terms and provisions of this contract, and shall not have caused any damage to the property of Seller, including trees not sold to Purchaser hereunder, Seller shall return said amount to Purchaser or Purchaser's successor or assigns. However, if caused by loss, liability or expense to Seller by reason of any violation of the provision hereof, Seller may make a written statement of the amount of such damage, loss, expense or liability, (including without limitation, any penalty for the cutting of unmarked timber as provided in Paragraph 2 above), give notice of the same to Purchaser, and retain from the proceeds of said check the amount of such statement of damage, loss liability and expense. If the aggregate amount of such statement shall be less than the amount of said check, then the surplus from the proceeds of such check shall be paid to Purchaser by Seller; and if the amount of such statement shall exceed the amount of said check, the Seller may retain all of the proceeds of said check and Purchaser shall be obligated to promptly pay the Seller an amount equal to the excess of said statement over the amount of said check.

IN WITNESS WHEREOF, Purchaser and Seller have each executed this contract in duplicate on the date set forth hereinabove.

WITNESS

Kathy Pearson
Robert A. Davis

WITNESS

Joseph L. Meaher
J. Heath Eckert

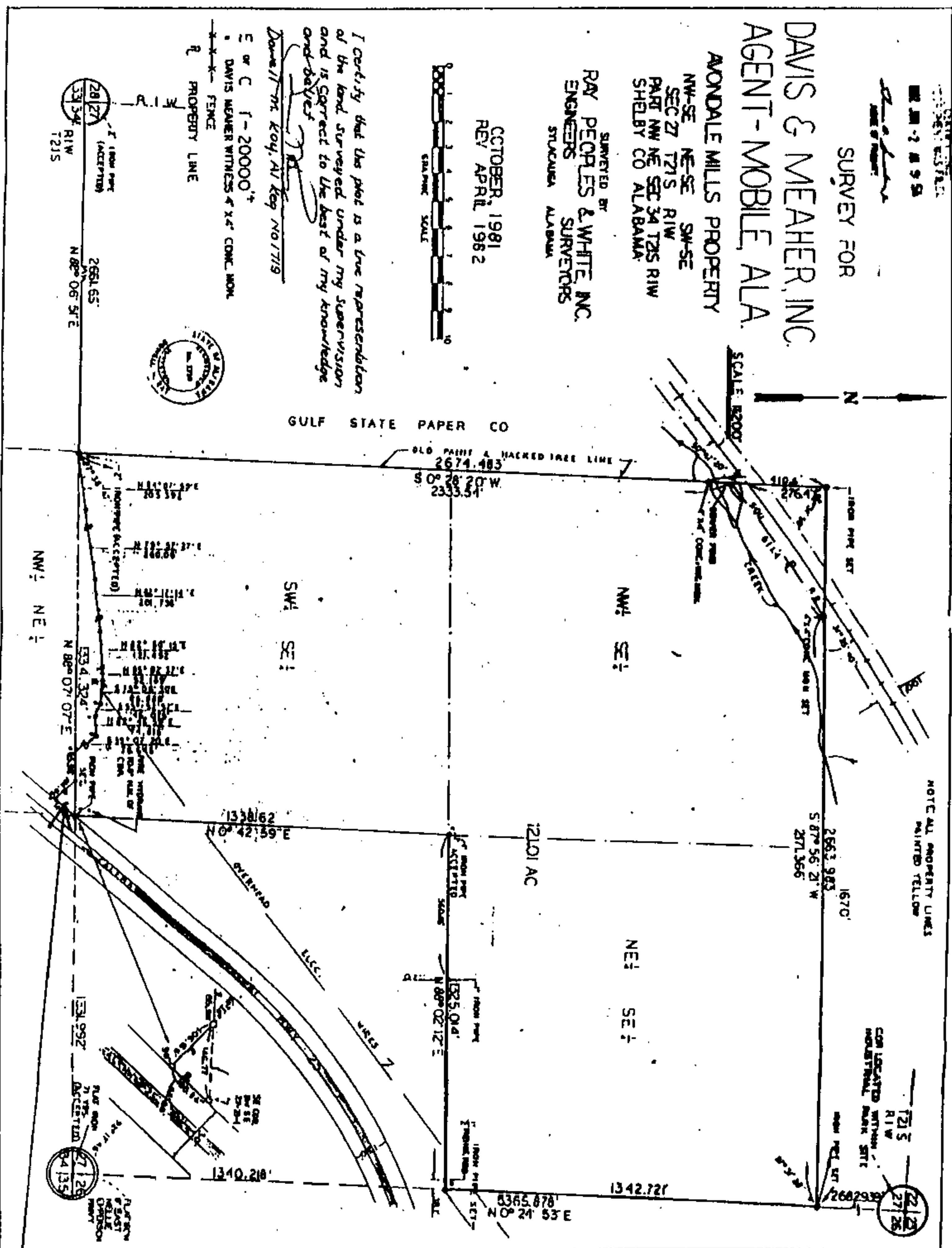
~~SELLER~~ Purchaser
~~AVONDALE MILLS, INC.~~ BMMH Woods Inc
By: Darren Hisham
As Its: Forester

~~PURCHASER~~ Seller
~~Bama Wood, Inc~~ Avondale Mills, Inc
By: Craig Lukens
As Its: Vice President

THIS INSTRUMENT PREPARED BY:

J. Heath Eckert
J. L. Meaher & Associates, Inc.
P.O. Box 2672
Mobile, Alabama 36652

Containing 118± acres



Thy rank & days 82

Outside boundary lines painted yellow and orange

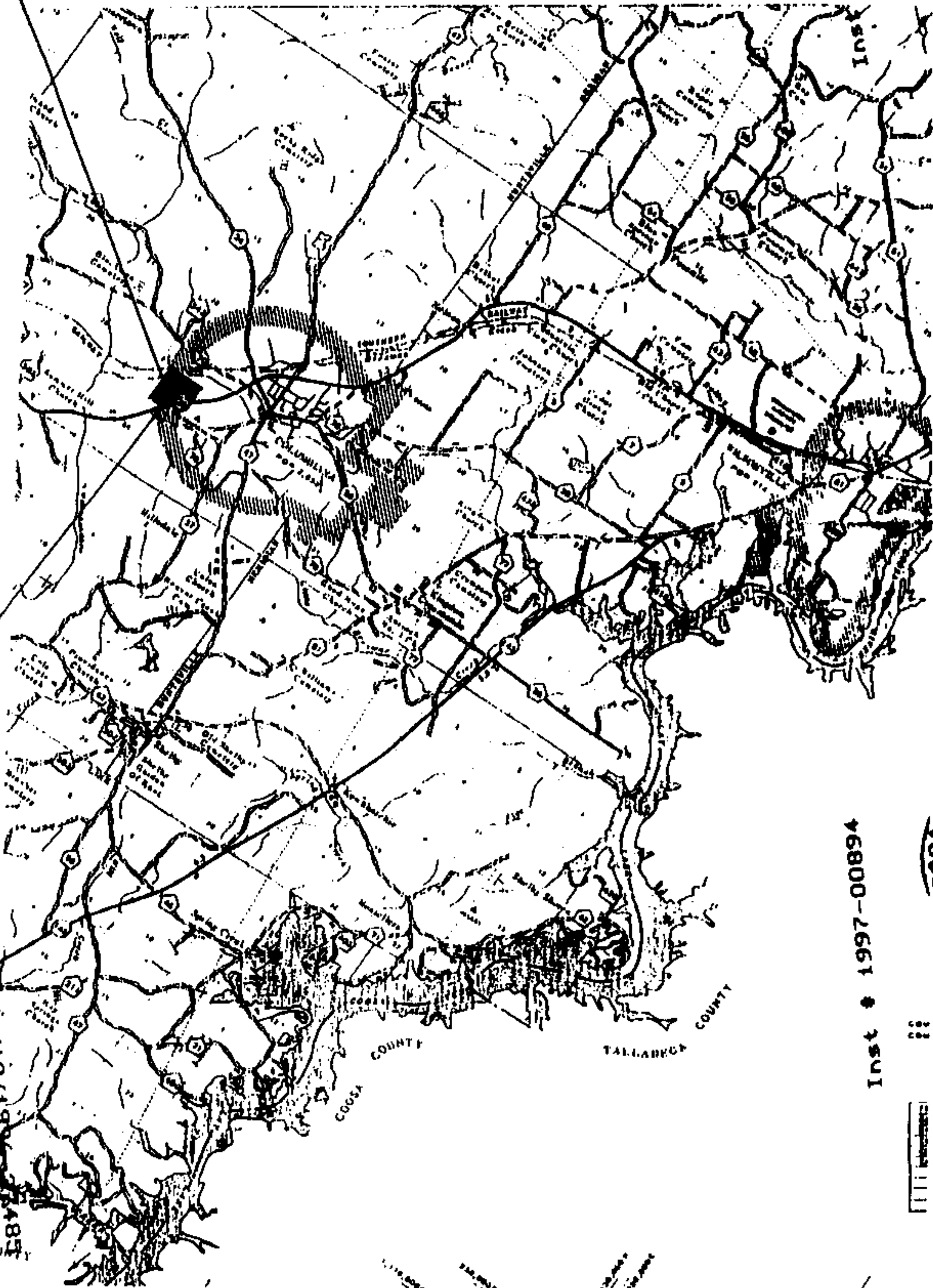
Pink Flagging

Avondale Mills, Inc.
1996 Blue Junk Yard (Pine Only) Timber Sale
Shelby County, Alabama

Containing 118± acres

Timber Sale Area

Pink
Flagging



Inst # 1996-37485

02:05 PM CERTIFIED
1996-37485

11/12/1996
02:05 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
005 HCD 32.50

Inst # 1997-00894

01/09/1997-00894
02:11 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
007 SMA 41.55

GENERAL HIGHWAY MAP
SHELBY COUNTY
ALABAMA