

STATE OF ALABAMA)

CHILTON COUNTY)

ASSIGNMENT OF LEASES, GUARANTIES, AND RENTS

THIS ASSIGNMENT is entered into by and between W. H. THOMAS OIL COMPANY, INC., an Alabama corporation (the "Debtor"), and REGIONS BANK, an Alabama banking corporation (the "Lender"), to secure an indebtedness owing by the Debtor to the Lender, as evidenced by those certain promissory notes (the "Notes") of even date herewith, in the principal sum of TWO MILLION, FIVE HUNDRED THOUSAND AND NO/100 (\$2,500,000.00) DOLLARS, payable to the order of the Lender and executed by the Debtor, which indebtedness is described in a Loan Agreement (the "Loan Agreement") of even date therewith executed by the Debtor, and the Lender, and which is described in and secured by a Mortgage (the "Mortgage") of even date therewith executed by the Debtor to the Lender, covering the Debtor's interest, in and to the real property described in Exhibit "A" attached hereto and made a part hereof (the "Subject Property"). Said indebtedness is hereinafter collectively referred to as the "Indebtedness." The Mortgage, this Assignment of Leases, Guaranties, and Rents, the Loan Agreement, and all other instruments executed by the Debtor further securing the Indebtedness are hereinafter collectively referred to as the "Security Documents."

For and in consideration of the Loan made to the Debtor by the Lender as evidenced by the Notes, the Debtor has granted, transferred and assigned and by these presents does grant, transfer and assign unto the Lender all of his right, title and interest in and to the following:

1. All leases and subleases, whether written or oral, of the Subject Property, or any portion thereof, now existing or hereafter made, including subleases thereunder, upon or covering all or any part of the Subject Property, all such leases, subleases, and tenancies heretofore mentioned being hereinafter collectively referred to as the "Leases";

2. Any and all guarantees of the lessee's performance under any of the Leases; and

3. The immediate and continuing right to collect and receive all of the rents, all other sums, and any certificates of deposit now due or which may become due or to which the Debtor may now or shall hereafter become entitled or make demand, claim, or cash, arising or issuing from or out of the Leases (collectively hereinafter referred to as the "Rents").

The Debtor represents and warrants:

(a) The Debtor has good title to the Leases, Guaranties, and Rents hereby assigned and good right to assign the same;

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(b) No other person, corporation or entity has any right, title or interest in the Leases, Guaranties, or Rents hereby assigned;

(c) All and singular the terms, covenants, conditions and warranties of the existing Leases on the part of the lessor thereunder have been duly and punctually performed, kept, and observed;

(d) No previous sale, assignment, transfer, mortgage or pledge of the Leases, Guaranties, or the Rents, is superior to the assignment of the Leases and Rents hereunder.

(e) No Rents due for any period subsequent to the date hereof have been collected, and no payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised; and

(f) No lessee under any existing Lease is in default in the payment of rent.

To protect the security of this assignment, the Debtor covenants and agrees:

1. To observe, perform and discharge all obligations, covenants and warranties provided for under the terms of the Leases to be kept, observed and performed by the lessor, thereunder and to give prompt notice to the Lender in the event Debtor fails to observe, perform and discharge the same;

2. To enforce or secure the performance of each and every obligation, term, covenant, condition and agreement to be performed by any lessee under the terms of any Lease;

3. To appear in and defend any action or proceeding arising under, or occurring out of, or in any manner connected with the Leases or the obligations, duties or liabilities of the Debtor and any lessee thereunder, and, upon request by the Lender, to do so in the name and on behalf of the Lender but at the expense of the Debtor, and to pay all costs and expenses of the Lender, including reasonable attorney's fees, in any action or proceeding in which the Lender may appear with regard to the Leases;

4. Not to pledge, transfer, mortgage or otherwise encumber or assign future payment of the Rents during the term hereof; and

5. Not to waive, excuse, condone, discount, set-off, compromise, or in any manner release or discharge any lessee of the Subject Property of and from any obligations, covenants, conditions and agreements by said lessee to be kept,

observed and performed, including the obligation to pay Rents in the manner and at the place and time specified in any Lease.

It is a condition of the granting of these powers, benefits and privileges, and of the making of the assignment, and the Lender by the acceptance of this instrument so agrees, that, until an act of default shall be made by the Debtor in the performance of any of the agreements, covenants and promises in the Notes, the Mortgage, the Loan Agreement or any of the Security Documents, including the making of the payments as set out in said Note, the Debtor may receive and collect the rents from the Leases; but it is covenanted and agreed by the Debtor, for the consideration aforesaid, upon or at any time after default in the payment of any Indebtedness secured hereby or in the observance or performance of any obligation, covenant or warranty set forth herein, in the Loan Agreement, or in any Security Document, or the occurrence of any event of default under the terms of any of the Notes, the Loan Agreement, or any Security Document, the Lender, at its option, shall have the right, power and authority to exercise and enforce any or all of the following rights and remedies:

- (a) To collect the Rents as aforesaid, and, in the Lender's own name,
- (b) to demand, collect, receive, sue for, attach and levy on the Rents,
- (c) to give proper receipts, releases and acquittance therefor, after deducting all necessary and reasonable costs and expenses of collection, including reasonable attorney's fees,
- (d) to apply the net proceeds thereof, together with any funds of the Debtor deposited with the Lender, upon any Indebtedness secured hereby, or by the Security Documents and in such order as the Lender may determine;
- (e) and to declare all sums secured hereby immediately due and payable and, at its option, to exercise all of the rights and remedies provided for in the Notes, in the Loan Agreement, in the Security Documents, or under the terms hereof.

The collection of the Rents and application thereof as aforesaid shall not cure or waive any default or waive, modify or affect any notice of default under the Notes, the Loan Agreement, the Security Documents or hereunder, or invalidate any act done pursuant to such notice. The enforcement of such right or remedy by the Lender, once exercised, shall continue for so long as the Lender shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default. If the Lender shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time following any subsequent default.

This assignment shall remain in effect as long as any part of the Indebtedness remains unpaid and upon the payment in full of said Indebtedness the Lender shall execute a release of this assignment upon the written request and at the expense of the Debtor. This assignment shall run with the land described in Exhibit "A" hereto and shall inure to the benefit of and bind the parties hereto and their respective heirs, successors and assigns.

EXECUTED this 17 day of JAN, 1997.

W. H. THOMAS OIL COMPANY, INC., an Alabama corporation

ATTEST:

W H Thomas By: William J Thomas
Its President

This Instrument Prepared By:

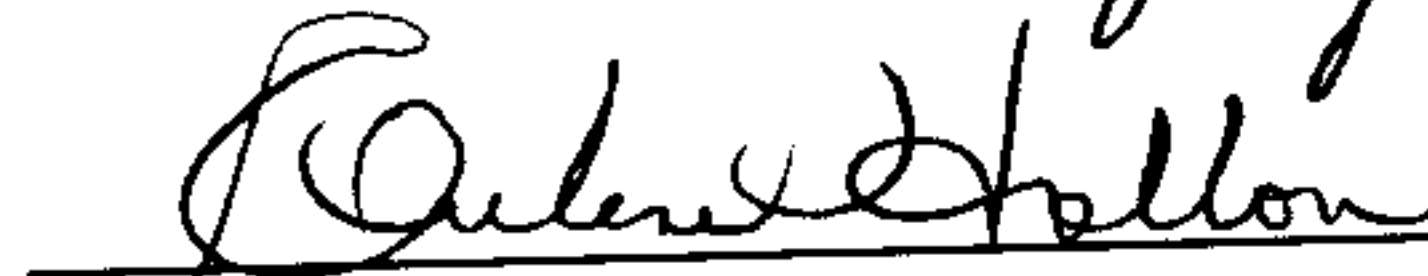
Stephen P. Leara, Esq. *Act*
Lange, Simpson, Robinson & Somerville
1700 First Alabama Bank Building
Birmingham, Alabama 35203

STATE OF ALABAMA)

CHILTON COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that William J. Thomas, whose name as President of W. H. THOMAS OIL COMPANY, INC., an Alabama corporation, is signed to the foregoing Assignment of Leases, Guaranties, and Rents, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such member and with full authority, executed the same voluntarily for and as the act of said limited corporation.

Given under my hand and official seal this the 17 day of January, 1997.



Notary Public

My Commission Expires: Jan 17, 2000

EXHIBIT "A"ASSIGNMENT OF LEASES, GUARANTIES, AND RENTS

Parcel 1: W. H. Thomas Oil Company, Inc.

To reach the point of beginning start at the Northwest corner of the Southwest Fourth of the Southwest Fourth of Section 13, Township 22 North, Range 14 East; thence North 86 degrees 00' East along the Quarter Section line 3,093.00 feet to the Western right-of-way line of Interstate Highway No. 65; thence North 42 degrees 08' West along said right-of-way line 253.0 feet; thence North 50 degrees 18' West along said right-of-way line 452.05 feet; thence North 32 degrees 24' West along said right-of-way line 86.0 feet to the point of beginning; thence from the point of beginning, continue North 32 degrees 24' West along the said right-of-way line 88.9 feet; thence North 84 degrees 34' West along said right-of-way line 109.9 feet to the Eastern right-of-way line of State Highway No. 145; thence Southwesterly along a curve (concave Easterly) in the said right-of-way line; said curve having a chord South 20 degrees 17' West 200.00 feet; thence South 74 degrees 14' East 200.0 feet; thence North 11 degrees 51' East 160.0 feet to the point of beginning. The said described lying and being situated in the Northeast Fourth of the Southwest Fourth of Section 13, Township 22 North, Range 14 East, Chilton County, Alabama, and containing 0.859 acre, more or less. This conveyance is subject to all easements, rights-of-way and restrictions of record affecting subject property, including limited right of access as granted to the State of Alabama for Interstate Highway No. 65.

Parcel 2: William H. Thomas and wife, Hazel M. Thomas

From the Northeast corner of Southeast Quarter of Northwest Quarter, Section 11, Township 21, Range 14, in Chilton County, Alabama, run South 80 feet; thence 15 feet West to a point on the South right-of-way of Samaria Church Road and the West line of an unpaved county road, which is the beginning point of the lot or parcel of land hereinafter conveyed. From the beginning point thus located, run South on the West line of unpaved road 240 feet to a point; thence at right angles West 346 feet to a point on the East right-of-way of Clanton-Kincheon Paved Road; thence on and along said East right-of-way North 25 degrees 38 minutes East 70 feet to an Alabama State Highway concrete marker; thence North 59 degrees 40 minutes East 176 feet to a State Highway concrete marker on the South right-of-way of Samaria Church Road; thence East on and along said South right-of-way 119 feet to the beginning point. Containing one and one-half (1 1/2) acres, more or less, lying and being in the Northeast corner of Southeast Quarter of Northwest Quarter, Section 11, Township 21, Range 14, in Chilton County, Alabama.

Parcel 3: William H. Thomas and wife, Hazel M. Thomas

The SW 1/4 of the SE 1/4 of Section 10, Township 20 North, Range 15.

Also:

The N 1/2 of the NE 1/4 of Section 15, Township 20, Range 15, Chilton County, Alabama.

Parcel 4: William H. Thomas and wife, Hazel Thomas

A lot or parcel of land on the W side of Lay Dam Road (Lock 12) and described as follows: From an old iron corner in the ground at the NE corner of Hoyt-Brownie Addition to Clanton, Alabama, said corner being on the W right of way of Lay Dam Highway and in accordance with the Map of said Addition recorded in Map Book 2 at Page 41 in the Office of the Judge of Probate, Chilton County, Alabama, Run in a Southerly direction on and along the W right of way of said Highway 958 feet to the point of intersection of said W right of way and the S line of dead end street, to the beginning point of the lot herein described; From the beginning point thus located run Westerly on and along the S line of dead end street 145 feet; thence S and parallel to the Lay Dam Road 100 feet; thence Easterly and parallel to the S line of dead end street 145 feet to the W right of way of Lay Dam (Lock 12) Highway as of 1967; thence Northerly on and along said W right of way 100 feet to the beginning point. In the SE 1/4 of the NW 1/4 of Section 36, Township 22, Range 14, Chilton County, Alabama.

A parcel of land described as follows: Commencing at a point on the W side of the Lock 12 Highway in the City of Clanton and which point is located approximately 606 feet S of the SE corner of Lot 1 of the J. W. Cagle Addition to the City of Clanton, as the same is recorded in the Office of the Judge of Probate of Chilton County, Alabama, and at which point the S boundary of Dead End Street referred to in that deed executed by J. R. Sorrell and wife, Gladys Sorrell to Irving P. Kennedy, Sr., and Margie Mae Kennedy, and recorded in Vol. 320 record of deeds at Page 235 in the Office of the Judge of Probate of Chilton County, Alabama intersects the W boundary of said Lock 12 Highway; and from said point thus established run in a Westerly direction along the S side of said Dead End Street a distance of 150 feet; thence at right angles and parallel with the said Lock 12 highway, run in a Southerly direction 150 feet; thence at right angles and parallel with the S side of said Dead End Street run in an Easterly direction a distance of 150 feet to the W side of the right of way of the Lock 12 and Lay Dam Highway; thence run along the W side of said Highway a distance of 50 feet; thence run in a Westerly direction and parallel with the said Dead End Street a distance of 150 feet to a point in the Westerly boundary of the above described land; the parcel of land conveyed being 50 feet off of the S side of the entire parcel of land hereinabove described and extending from said Lock 12 Highway in a Westerly direction to the W line of the parcel of land hereinabove described.

Parcel 5: W. H. Thomas Oil Company and William H. Thomas and wife, Hazel Thomas

A lot or parcel of land lying and being situated in the Northwest Quarter of the Southwest Quarter, Section 1, Township 21, North, Range 14, East, being more particularly described as follows: From the Northeast Corner of the Northwest Quarter of the Southwest Quarter of said Section 1, run West along the North quarter-quarter line for 33 feet, thence run S-23 degrees 30 minutes East for 353 feet; thence S 86 degrees 45 minutes West for 59 feet; to the Northeast corner of the Standard Oil Company lot, run thence N 23 degrees 30 minutes West and parallel to the centerline of the L & N Railroad for 175 feet to the northeast corner of the Wadsworth lot and the point of beginning of the parcel conveyed; From said point of beginning, continue to run N 23 degrees 30 minutes West and parallel to the centerline of the L & N Railroad for 191.37 feet to a point, thence run S 89 degrees 33 minutes 56 seconds West for 649.99 feet to a point, thence run S 12 degrees 56 minutes 14 seconds East for 140.59 feet to a point, thence run S 87 degrees 12 minutes 12 seconds West for 156.7 feet; thence run S 11 degrees 28 minutes 02 seconds East for 289.39 feet, thence N 87 degrees 36 minutes 00 seconds East for 538.26 feet, thence S 23 degrees 31 minutes 11 seconds East for 151.99 feet, thence N 86 degrees 20 minutes 45 seconds East for 349.51 feet, thence run N 23 degrees 30 minutes west and parallel to the L & N Railroad for 210 feet, thence South 82 degrees 16 minutes 53 seconds West for 110.28 feet, thence N 23 degrees 30 minutes West for 173.94 feet, thence N 81 degrees 45 minutes East 110 feet and to the point of beginning.

Parcel 6: W. H. Thomas Oil Company, Inc.

That certain tract of land situated in the South 1/2 of the NW 1/4 of the NW 1/4 of Section 14, Township 21, Range 3 West described as follows: Commencing at the NW corner of said Section 14, and run thence South along the West line thereof a distance of 660 feet; run thence East and parallel with the North line of said Section 14 a distance of 1100 feet, more or less, to a point on the Western margin of the Montevallo Road, and being the NE corner of that tract of land conveyed by J. J. Smylie to E. J. Fogle and wife, Myrtle Poole, dated October 26, 1945, for the point of beginning of the lot herein described and conveyed; from said last named point run thence Southerly along the Western margin of the Montevallo Public road a distance of 100 feet; run thence West and parallel with the North line of said Section a distance of 600 feet; run thence in a Northerly direction and parallel with the West right of way line of the Montevallo Public Road a distance of 100 feet; run thence East and parallel with the North line of said Section 14, a distance of 600 feet to the point of beginning; being situated in Shelby County, Alabama.

Less and except any portion of subject property being within the road right of way.

Parcel 7: W. H. Thomas Oil Company, Inc.

For point of reference, beginning at the Northwest corner of Section 14, Township 21 South, Range 3 West, Shelby County, Alabama, and run South along the West line thereof a distance of 660 feet; thence run East and parallel to the North line of said section a distance of 1100 feet, more or less, to a point on the western margin of the Montevallo Public Road, said point being the Point of Beginning; thence run Southerly, along the Westerly side of said road, 100.00 feet to an iron pin, thence turn an angle to the right of $0^{\circ}44'39''$ and run Southerly along the Westerly side of said road 100.00 feet to an iron pin; thence turn an angle to the right of $68^{\circ}04'11''$ and run Westerly 598.04 feet to an iron pipe; thence turn an angle to the right of $111^{\circ}39'05''$ and run Northerly 100.09 feet to an iron pipe; thence turn an angle to the right of $1^{\circ}07'42''$ and run Northerly 99.31 feet to an iron pipe; thence turn an angle to the right of $67^{\circ}05'04''$ and run East 596.15 feet to the Point of Beginning, containing 2.54 acres, more or less.

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STATE OF ALA. CHILTON CO.
I CERTIFY
INSTRUMENT

1997 JAN 27 AM 11:30

UCC FILE INSTRUMENT
BK. & PAGE AS SHOWN ABOVE

Robert M. Martin

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MORTG _____
REC 23.50
INDEX 3.00
D.P. FEE 2.00

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