

After recording, return to
Donald C. Schreiber
100 N. Lindbergh Blvd.
St. Louis, Missouri 63132

MORTGAGE
(Alabama)

THE STATE OF ALABAMA

COUNTY OF SHELBY

This indenture made on July 11, 1997, between **JONES STEPHEN DAVIS AND DANA A. DAVIS**, husband and wife, of 1116 Elm Drive, County of Shelby, State of Alabama, herein referred to as ("Mortgagor"), and **MEDICINE SHOPPE INTERNATIONAL, INC.**, located at 1100 N. Lindbergh Blvd., St. Louis, Missouri, herein referred to as ("Mortgagee"), witnesseth:

Whereas, Mortgagor is justly indebted to Mortgagee in the principal sum of exceed **ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00)**, as evidence by a Credit and Security Agreement dated July 11, 1997, payable with interest at the rate of three percent (3%) per annum in excess of the rate of interest from time-to-time most recently announced by The Boatmen's National Bank of St. Louis in St. Louis, Missouri or its successor as its "prime rate" on commercial loans, on demand, and if no demand, not later than seven (7) years from the date of said Note of even date, or any substituted or renewed note payable to Mortgagee or order, and each extension thereof; and performance of each agreement of Mortgagor incorporated herein by reference or contained herein.

Now, therefore, Mortgagor, in consideration of the premises and to secure the payment of the indebtedness and the compliance with all the stipulations herein contained, has bargained and sold, and does hereby grant, bargain, sell, assign, and convey unto Mortgagee, its successors and assigns, the real estate situated in the County of Shelby, State of Alabama, and being more particularly described on the attached Exhibit A incorporated herein by reference as if fully set out herein, together with all the rights, privileges, tenements, and appurtenances thereunto belonging or in any way appertaining, and all fixtures nor or hereafter attached to or used in connection with the premises herein described and in addition thereto all household appliances, that are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned.

To have and to hold the Premises, and every part thereof, unto Mortgagee, its successors and assigns forever.

07/18/1997-22576
09:10 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 SNA 177.00

Inst # 1997-22576

SECTION ONE COVENANT OF TITLE

Mortgagor covenants with Mortgagee that Mortgagor is lawfully seized in fee simple of the Premises and has a good right to sell and convey the same; that the Premises are free of all encumbrances, and that Mortgagor will warrant and forever defend title to the same unto Mortgagee, its successors and assigns, against the lawful claims of all persons whomsoever.

SECTION TWO PAYMENT OF TAXES AND INSURANCE

For the purpose of further securing the payment of the indebtedness herein mentioned, Mortgagor hereby agrees to pay all taxes, assessments, or other liens taking priority over this Mortgage, when imposed legally on the Premises, and if default is made in the payment of same, or any part thereof, Mortgagee, at its option, may pay the same.

To further secure the indebtedness herein mentioned, and every portion thereof, Mortgagor agrees to keep the property continuously insured in such manner and in such companies as may be satisfactory to Mortgagee, for its full insurable value against loss by fire, tornado, and all other insurable casualties, with loss, if any, payable to Mortgagee, as its interest may appear; and if Mortgagor fails to keep the property insured as specified above, then Mortgagee may, at its option, insure the property for its insurable value against such loss for its own benefit, the proceeds from such insurance, if collected, to be credited on the indebtedness secured by this Mortgage, less the cost of collecting the same, or, at the election of Mortgagee, may be used in repairing or reconstructing the Premises; all amounts so expended by Mortgagee for insurance, or for the payment of taxes, assessments, or any other prior liens, shall become a debt to and at once payable, without demand on or notice to any person, to Mortgagee, in addition to the indebtedness hereby specially secured, shall be secured by the lien of the this Mortgage, and shall bear interest from date of payment by Mortgagee, and at the election of the Mortgagee, and without notice to any person, Mortgagee may declare the entire indebtedness secured by this Mortgage due and payable, and this Mortgage subject to the foreclosure, and the same may be foreclosed, as herein provided.

SECTION THREE CARE OF PREMISES

Mortgagor agrees to take good care of the Premises described above, and not to commit or permit any waste thereon, and to keep the same repaired, and at all times to maintain the same in as good condition as they now are, reasonable wear and tear along excepted.

SECTION FOUR FORBEARANCE NOT A WAIVER

Mortgagor agrees that no delay or failure of Mortgagee to exercise any option to declare the maturity of any debts secured by this Mortgage shall be taken or deemed as a waiver of its right to exercise such option, or to declare such forfeiture, either as to any past or present default. No terms or conditions contained in this Mortgage can be waived, altered, or changed except as evidenced in writing, signed by Mortgagor and by an authorized officer of Mortgagee.

SECTION FIVE RENTS, ISSUES, AND PROFITS

After any default on the part of Mortgagor, Mortgagee shall, upon bill filed or the proper legal proceedings being commenced for the foreclosure of this Mortgage, be entitled, as a matter of right, to the appointment by any competent court or tribunal, without notice to any party, of a receiver of the rents, issues, and profits of the Premises, with power to lease and control the Premises, and with such other powers as may be deemed necessary.

SECTION SIX CONSEQUENCES OF DEFAULT

On condition, however, that if Mortgagor pays the Note and any renewals or extensions thereof and all other indebtedness secured by this Mortgage, and reimburses Mortgagee for any amount it may have expended in payment of taxes and insurance or other liens, and interest thereon, and does and performs all other acts and things herein agreed to be done, this conveyance shall be null and void; but if default is made in the payment of any sum expended by Mortgagee under the authority of any of the provisions of this Mortgage, or should the indebtedness hereby secured, and any renewals or extensions thereof, or any part thereof, or any interest thereon, remain unpaid at maturity, or should the interest of the Mortgagee in the property become endangered by reason of the enforcement of any prior lien or encumbrance thereon, so as to endanger the debt hereby secured, or should any law, either federal or state, be passed imposing or authorizing the imposition of any specific tax on this Mortgage or the debt hereby secured, or permitting or authorizing the deduction of any such tax from the principal or interest secured by this Mortgage, or by virtue of which any tax or assessment on the Mortgaged Premises shall be chargeable against the owner of the Mortgage, or should at any time any of the stipulations contained in this Mortgage be declared invalid or inoperative by any court of competent jurisdiction, then, in any one of these events, the whole of the indebtedness hereby secured, or any portion or part of the same as may not at that date have been paid, with interest thereon at the rate of five percent (5%) per annum in excess of the rate of interest from time-to-time most recently announced by The Boatmen's National Bank of St. Louis in St. Louis,

Missouri or its successor, as its "prime rate" on commercial loans, on the principal indebtedness, shall at once become due and payable at the option of Mortgagee, and this Mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in the case of past due Mortgages; and Mortgagee shall be authorized to take possession of the Premises hereby conveyed, and after giving notice by publication, as required by law, of the time, place and terms of sale, by publication in some newspaper published in the county where the property is located, to sell the same in front of the courthouse door of the county wherein the property is located, at public auction, to the highest bidder for cash, and apply the proceeds of the sale: first, to the expense of advertising, selling, and conveying, including a reasonable attorney's fee; second, to the payment of any amounts that may have been expended, or that may then be necessary to expend, in paying insurance, taxes, and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of the sale; but no interest shall be collected beyond the day of sale; and, forth, the balance, if any, to be turned over to Mortgagor.

Mortgagor further agrees that Mortgagee, its successors or assigns, may bid at any sale had under the terms of this Mortgage, and purchase the property, if it is highest bidder therefor. Mortgagor agrees to pay a reasonable attorney's fee to Mortgagee, its successors or assigns, for the foreclosure of this Mortgage, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction, which fee shall be a part of the debt hereby secured. The purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money.

In the event of a sale hereunder, Mortgagee, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of Mortgagor a good and sufficient title to the property sold.

SECTION SEVEN EFFECT OF LIEN AGAINST PROPERTY

Mortgagor agrees that the debt hereby secured may, at the option of Mortgagee, at once become due and payable and this Mortgagee, subject foreclosure as herein provided, at the option of the holder hereof, when and if any statement of lien is filed under the statutes of Alabama relating to the liens of mechanics and material suppliers without regard to form and contents of such statement, and without regard to the existence or nonexistence of the debt, or any part thereof, or of the lien, on which such statement is based.

SECTION EIGHT RULES OF CONSTRUCTION

Plural or singular words used herein to designate Mortgagor shall be construed to refer to the maker or makers of this Mortgage, whether one or more persons, or a corporation; and all covenants and agreements herein made by Mortgagor shall bind the heirs, personal representatives, successors, and assigns of Mortgagor, and every option, right, and privilege herein reserved or secured to the Mortgagee shall inure to the benefit of its successors and assigns.

SECTION NINE ADDITIONAL PAYMENTS TO BE MADE

Mortgagee shall have the right to demand that Mortgagor pay to Mortgagee together with and in addition to the payments of principal and interest payable under the terms of the Note secured hereby, on the first day of each month until the Note is fully paid, the following sums: An installment of the taxes and assessments levied or to be levied against the Premises conveyed by this Mortgage and an installment of the premium or premiums that will become due and payable to renew the casualty insurance on the Premises covered hereby. Such installments shall be equal respectively to one-twelfth of the annual taxes and assessments due, and one twelfth of the annual estimated premium or premiums for such insurance (as estimate by the Mortgagee). Mortgagee shall hold such monthly installment payments in trust to pay the premium or premiums, taxes and special assessments when the same become due. Each monthly installment payment mentioned in this paragraph shall be added to the regular monthly installment payment due for the month, as called for by the Note secured by this Mortgage, and the aggregate amount thereof shall be paid each month in a single payment, to be applied by Mortgagee to the following items in order set forth: (1) taxes, special assessments, and fire and other hazard insurance premiums; (2) interest on the Note secured hereby; (3) amortization of the principal of the Note. Any deficiency in the amount of such aggregate monthly payment shall, unless made good by Mortgagor prior to the due date of the next such payment, constitute an event of default under the Mortgage. Mortgagee shall not be liable for interest on such sums collected and held by it. If the total payments made by Mortgagor under this paragraph exceed the amount of payments actually made by Mortgagee for taxes, assessments, and insurance premiums, such excess shall be credited by Mortgagee on subsequent payments to be made by Mortgagor. If, however, the monthly payments made by Mortgagor under this paragraph are not sufficient to pay taxes, assessments, and insurance premiums when the same become due and payable, then Mortgagor will pay to Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such taxes, assessments, or insurance premiums shall be due. If Mortgagor tenders to Mortgagee, in accordance with the provisions of the Note secured hereby, full payment of the entire indebtedness evidenced by the Note, Mortgagee shall, in computing the amount of such indebtedness, credit to the account of Mortgagor any balance remaining in the funds accumulated

and held by Mortgagee under the provisions of this paragraph. If there is a default under any of the provisions of this Mortgage resulting in a public sale of the premises covered hereby, or if Mortgagee acquires the property otherwise after default, Mortgagee shall apply, at time of commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under this paragraph as a credit against the amount of principal then remaining unpaid under the Note.

SECTION TEN FUTURE ADVANCES

The Note secured hereby shall evidence, and this Mortgage shall cover and be security for, any future loans or advances that may be made by Mortgagee to Mortgagor at any time or time hereafter and intended by Mortgagor and Mortgagee to be so evidenced and secured, and such loans and advances shall be added to the principal debt.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand the day and year first above written.



Jones Stephen Davis



Dana A. Davis

ACKNOWLEDGEMENT

STATE OF Alabama

COUNTY OF Jefferson

Before me, a Notary Public, in and for said County and State, personally appeared **JONES STEPHEN DAVIS**, known to me to be the person named in and the person executing the above and foregoing instrument and he acknowledged that he executed the above and foregoing instrument as his free act and deed for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

My Commission Expires:

8-25-2000

Vera D. Gregory
Notary Public

ACKNOWLEDGEMENT

STATE OF Alabama

COUNTY OF Jefferson

Before me, a Notary Public, in and for said County and State, personally appeared **DANA A. DAVIS**, known to me to be the person named in and the person executing the above and foregoing instrument and she acknowledged that she executed the above and foregoing instrument as her free act and deed for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

My Commission Expires:

8-25-2000

Vera D. Gregory
Notary Public

EXHIBIT A

Said property located in the City of Alabaster, County of Shelby, State of Alabama, being more particularly described as and address more commonly known as 1116 Elm Drive, Alabaster, Alabama 35007:

Lot 125, according to the Survey of Autumn Ridge, Second Sector, as recorded in Map Book 14, Pages 16, 17 and 18, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama. Mineral and mining rights excepted.

Subject to existing easements, restrictions, set back lines, rights of way, limitations, if any, of record.

Alabama 7/11/89

- 8 -

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