

SECURITY AGREEMENT

"As used in this instrument, the words "Bank," "SouthTrust Bank," or "SouthTrust Bank of Alabama, N.A." mean SouthTrust Bank, National Association, a national banking association."

DEBTOR: [Last name(s) first, if individual(s)]

SECURED PARTY:

SouthTrust Bank of Alabama, National Association

P.O. Box 2554

Birmingham, AL 35290

Parsons, James Corley

2831 Pelham Parkway

Mailing address

Pelham

Shelby

AL

35214

City

County

State

Zip

Date: FEBRUARY 5, 1998

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, conveys, 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 (check applicable box(es)).

☐ A.
(Inventory and Documents)

all inventory of Debtor, whether now owned or hereafter acquired by Debtor and wherever located, including, without limitation, all goods, merchandise, raw materials, work in process, finished goods, and other tangible personal property held for sale or lease or furnished under contracts of service or used or consumed in Debtor's business and returned and repossessed goods; all Documents now or hereafter evidencing any such inventory; and all proceeds and products of the foregoing; and

☐ B.
(Accounts, Intangibles, Instruments, Chattel Paper)

all Accounts, General Intangibles, Instruments, and Chattel Paper, whether now owned or hereafter acquired by Debtor and whether now existing or hereafter arising, and all proceeds of the foregoing, whether cash or non-cash, including returned and repossessed goods; and

☒ C.
(Equipment)

all Equipment, including, without limitation, all machinery, computer equipment and peripherals, furniture, furnishings, and motor vehicles, and all replacements thereof and substitutes therefor, and all accessories, additions, attachments and other goods now or hereafter installed in or affixed thereto or used in connection therewith, whether any of the foregoing now owned or hereafter acquired by Debtor and wherever located, and all proceeds thereof (but inclusion of proceeds shall not be deemed to imply that Secured Party authorizes the sale or other transfer or disposition of any such Equipment); ☒ If this box is checked, the term "Equipment" as used in this agreement also includes fixtures, including leasehold improvements and machinery and appliances which are attached to the real property in such a manner as to become fixtures; and

☐ D.
(Farm Products)

all crops (whether annual or perennial) and all livestock (including fowl) and all natural increase thereof, all feed, seed, fertilizer and other supplies used or produced in farming operations, and all products of crops and livestock in their unmanufactured states, whether any of the foregoing is now owned or hereafter acquired by Debtor and wherever located, all contracts for the sale by Debtor of any of the foregoing, and all crop or acreage allotments, price supports or supplements and rights under governmental programs, and all proceeds of all of the foregoing, provided that no security interest attaches hereunder to crops which become such more than one year after this Security Agreement is executed unless the security interest in crops is given in conjunction with a lease or a land purchase or improvement transaction evidenced by a separate contract, mortgage, deed of trust or deed to secure debt. The security interest herein granted covers, without limitation, all crops growing or to be grown on the real property described on any Exhibit attached hereto.

(All of the property and rights described in A, B, C, and D above (as applicable) are sometimes hereinafter referred to collectively as "the Collateral.")

2. This agreement, and the security interest herein granted, secures the payment and performance of every loan and other extension of credit heretofore, now, or hereafter made to Debtor by Secured Party, any extensions or renewals thereof, all interest due or to become due to Secured Party on each such loan or other extension of credit, every note or other writing now or hereafter evidencing the obligation of Debtor to repay any such loan or other extension of credit and/or the interest thereon, every guaranty of payment or collection of the debt of another heretofore, now, or hereafter entered into by Debtor with Secured Party, every letter of credit reimbursement agreement heretofore, now, or hereafter entered into by Debtor with Secured Party, every lease of personal property heretofore, now, or hereafter entered into by Debtor with Secured Party, the payment and performance of all of Debtor's obligations under this agreement, and all other indebtedness and other obligations of Debtor to Secured Party, including all sums paid to Secured Party for Debtor's account by Debtor or any other person which are later recovered back from Secured Party by Debtor or any creditor of Debtor or any representative of Debtor or of Debtor's creditors, such as a trustee in bankruptcy, whether any of the foregoing debts and other obligations are joint or several, primary or secondary, direct or indirect, otherwise secured or unsecured, whether originally payable or owed to Secured Party or acquired by Secured Party from another (the terms "with Secured Party" and "by Secured Party" in this sentence being expressly intended to include Secured Party's assigns and predecessors in interest), and whether now existing or hereafter incurred prior to termination of this agreement as hereinafter provided. (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 inventory, Equipment and/or Farm Products are 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):

Street Address

City

Zip

(Failure to list any address where inventory, Equipment or Farm Products are kept shall not limit Secured Party's security interest, which covers all inventory, Equipment and/or Farm Products of Debtor, wherever located.)

Debtor agrees not to keep or store any inventory, Equipment and/or Farm Products at any address other than those set forth above except upon not less than 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 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, by-laws, 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. If paragraph 1.A., 1.C., or 1.D. above is marked, Debtor agrees with Secured Party as follows:

Debtor will maintain insurance at all times with respect to all inventory, Equipment and Farm Products 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 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 cancelling 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 10 days' notice to Debtor, insurance covering only Secured Party's interest in the inventory, Equipment and Farm Products. 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 inventory, Equipment or Farm Products and all return or unearned premiums thereon to Secured Party as additional collateral for the Secured Obligations.

5. If paragraph 1.A. above is marked, Debtor agrees with Secured Party as follows:

(a) Debtor will allow Secured Party and any of its officers, agents, attorneys, or accountants to examine or inspect the inventory wherever located at all reasonable times and to examine, inspect and make extracts from Debtor's books and records.

(b) Debtor will keep the inventory, all Documents with respect thereto, and proceeds of both free from any adverse lien, security interest or encumbrance, except that Debtor may, with Secured Party's written consent obtained in advance, grant a security interest in its Accounts, General Intangibles, Instruments, and/or Chattel Paper to another creditor. Debtor will keep the inventory in good condition, and will not waste or destroy any of the same. Debtor will not use the inventory in violation of any statute or ordinance.

(c) Until the occurrence of a default hereunder, Debtor may use the inventory in any lawful manner which is consistent with Debtor's usual business and is not inconsistent with this agreement or with the terms or conditions of any policy of insurance thereon, and may sell the inventory in the ordinary course of business. A sale in the ordinary course of business does not include a transfer in partial or total satisfaction of a debt. Until the occurrence of a default, Debtor may also use and consume any raw materials or supplies, the use and consumption of which is necessary in order to carry on Debtor's usual business.

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.

The provisions on the reverse side and on any attachments are part of this agreement.

ATTEST OR WITNESS:

By

Signature

Title

(SEAL)

(SEAL)

(d) Upon request of Secured Party at any time, Debtor will deliver to Secured Party lists or copies of all Accounts which are proceeds of Inventory or Farm Products promptly after they arise. Unless Secured Party shall have otherwise agreed with Debtor in writing, Debtor will deliver to Secured Party, promptly upon receipt, all proceeds (except goods) of the Inventory or Farm Products received by Debtor, including proceeds of such Accounts, in precisely the form received by Debtor, except for the endorsement of Debtor where necessary to permit the collection of such proceeds (which endorsement Debtor hereby agrees to make) Debtor agrees not to mingle any proceeds of the Inventory or Farm Products with any of Debtor's own funds, goods or property, and at all times to hold such proceeds upon express trust for the Secured Party until delivery thereof is made to Secured Party. To evidence Secured Party's rights hereunder, Debtor will assign or endorse proceeds to Secured Party in such form as Secured Party may request and Secured Party shall have the full power and authority to collect, compromise, endorse, sell, or otherwise deal with proceeds in its own name or that of Debtor. Secured Party in its discretion may apply cash proceeds to the payment of any of the Secured Obligations or may release such cash proceeds to Debtor for use in the operation of Debtor's business.

(e) With respect to proceeds of the Collateral in the form of Accounts, Secured Party may at any time before or after default notify account debtors that the Accounts have been assigned to Secured Party and shall be paid to Secured Party. Upon request of Secured Party at any time Debtor will so notify such account debtors and will indicate on all invoices to such account debtors that the Accounts are payable to Secured Party.

6. If paragraph 1.B. is marked above, Debtor hereby agrees with Secured Party as follows:

(a) For the consideration recited in paragraph 1 above, Debtor hereby leases to Secured Party, during the term of this agreement, all file cabinets, books, ledgers, microfilm, microfiche, magnetic tapes, magnetic discs, and other information retrieval or storage systems, on which, or in which, any of Debtor's records concerning its Accounts, General Intangibles, Instruments, and Chattel Paper, are kept or stored. Debtor agrees to deliver all of the foregoing property, or any part thereof specified by Secured Party, to Secured Party upon request. Debtor agrees that Secured Party may come on any premises where any of such property is located at any reasonable time to take possession of such property, and that the entry of such premises by Secured Party will not constitute a trespass and the taking of such property by Secured Party will not constitute a trespass to, or a conversion of, any such property.

(b) Secured Party shall have the right at any time, whether before or after the occurrence of a default hereunder by Debtor, to notify any or all account debtors on the Accounts or General Intangibles, and any or all obligors on the Instruments or Chattel Paper, to make payment directly to Secured Party, or to make payment to an address (a "lock box") under the exclusive control of Secured Party. Upon request of Secured Party, Debtor agrees immediately to notify such account debtors and obligors to make payment directly to Secured Party or to such lock box and to place Secured Party's address or such lock box's address on Debtor's invoices and statements as the address to which payment should be made. To the extent Secured Party does not so elect to notify, or does not request Debtor to notify, the account debtor or obligors, Debtors shall continue to collect the Collateral. Debtor agrees not to mingle any proceeds of any of the Collateral with any of Debtor's own funds, goods or property, and at all times to hold such proceeds upon express trust for the Secured Party until delivery thereof is made to Secured Party. Debtor agrees to deliver all proceeds of the Collateral, in precisely the form received by Debtor, except for the endorsement of Debtor where necessary to permit the collection of such proceeds (which endorsement Debtor hereby agrees to make). Secured Party may apply such proceeds to any of the Secured Obligations, whether or not such Secured Obligations shall have matured by their terms, or Secured Party may, at its option, release such proceeds to Debtor for use in Debtor's business. Secured Party need not apply nor give credit for any item included in such proceeds until Secured Party has received final payment therefor at its offices in cash or solvent credits acceptable to Secured Party.

(c) Weekly, monthly, or at such other intervals as Secured Party shall designate, Debtor will deliver to Secured Party lists and agings of all of Debtor's Accounts in such form, and in such detail, as Secured Party shall require, together with copies of invoices, delivery receipts, bills of lading, and such other documents in support of Debtor's Accounts as Secured Party shall require.

(d) If any of the Accounts arise out of contracts with the United States or any agency thereof, Debtor agrees to notify Secured Party thereof and to execute such documents as shall be necessary to permit Secured Party to perfect its right to receive payment under the federal Assignment of Claims Act.

(e) Upon request of Secured Party, Debtor will purchase insurance covering the loss of, and cost of reconstruction of, Debtor's records of its Accounts, General Intangibles, Chattel Paper and Instruments, such insurance to be issued by an insurer acceptable to Secured Party and to contain such coverage provisions as Secured Party shall request.

7. 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; (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; (v) Debtor agrees not to sell or otherwise dispose of any Equipment except worn out or obsolete Equipment which are immediately replaced with other Equipment of equivalent function and of equal or greater value (and if a motor vehicle, upon which the lien of Secured Party has been properly noted on the certificate of title therefor); (vi) Debtor agrees not to sell, collect, assign, negotiate, or otherwise transfer any of Debtor's Inventory, Accounts, General Intangibles, Instruments, or Chattel Paper outside the ordinary course of Debtor's business as conducted on the date of this agreement; and (vii) all of Debtor's Inventory is and will be produced in compliance with the federal Fair Labor Standards Act.

(c) Debtor hereby irrevocably makes, constitutes, and appoints Secured Party and any of its officers or designees as Debtor's true and lawful attorney-in-fact with full power and authority to do any and all acts necessary or proper to carry out the intent of this agreement, including, without limitation, the right, power and authority (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. Debtor hereby ratifies and confirms all that Secured Party, its officers or designees, shall do as such attorney-in-fact by virtue of the foregoing powers, which power is coupled with an interest and are irrevocable until this agreement has been terminated as hereinafter provided.

8. (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 interests 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 percentage points 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. Secured Party may elect not to perfect its security interest in all or any part of the Collateral without discharging or otherwise impairing its rights against Debtor or any other party.

9. 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 understanding;
- (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 for any part of the property of, general 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.

10. 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 all or any part 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 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 ten (10) calendar days before the time of the sale or disposition. Debtor agrees to pay Secured Party on demand any and all expenses, including attorneys' fees in the amount of 15% of the unpaid balance of the Secured Obligations at the time of default (or the maximum fee allowed by law, if less than 15%, or a reasonable attorney's fee if applicable law does not permit the parties to agree to the amount of the attorney's fee prior to default) 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. The proceeds of any sale or other disposition or collection of the Collateral shall be applied, first, to the payment of all costs and expenses incurred by Secured Party in connection with such sale or other realization including, without limitation, attorneys' fees as specified above and all costs of litigation, and to the repayment of all advances made by Secured Party hereunder for the account of Debtor and the payment of all costs and expenses paid or incurred by Secured Party in connection with this agreement or in the exercise of any right or remedy hereunder or under applicable law, to the extent that such advances, costs and expenses have not previously been paid to Secured Party upon demand to Debtor therefor; second, to the payment of the Secured Obligation in such order as Secured Party may elect; and third, to Debtor, or the person then entitled thereto, or as a court of competent jurisdiction may direct. No sale or other disposition of any of the Collateral shall extinguish any of the Secured Obligations except to the extent that the net proceeds of such sale or disposition are applied thereto. Debtor will remain obligated to pay any deficiency.

11. 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.

12. (a) Secured Party's rights and remedies hereunder, under other agreements or instruments, and under applicable law (including the Uniform Commercial Code) are cumulative and may be exercised successively or concurrently. 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, Secured Party will deliver to Debtor a written termination of this agreement upon written request therefor from Debtor. 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 where the address of Secured Party set forth above is located. 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 Uniform Commercial Code.

(e) Time is of the essence of every provision of this agreement.

EXHIBIT "A"
LEGAL DESCRIPTION

A parcel of land situated in Section 12, Township 20 South, Range 3 West and being more particularly described as follows:

Commence at the Southwest corner of the Northwest 1/4 of Southeast 1/4 of Section 12, Township 20 South, Range 3 West, an Old Iron Pipe; thence South 89 degrees 53 minutes 05 seconds East a distance of 400.67 feet to the point of beginning; thence North 25 degrees 49 minutes 04 seconds East a distance of 184.79 feet to the centerline of a 100 foot wide Alabama Power Company right of way; thence North 61 degrees 53 minutes 36 seconds West and along said centerline a distance of 601.45 feet to the easterly right of way line of U.S. Highway 31 (200 foot right of way); thence South 25 degrees 49 minutes 04 seconds West and leaving centerline of said Alabama Power Company right of way and along said Highway easterly right of way a distance of 204.64 feet; thence South 64 degrees 10 minutes 56 seconds East and leaving said Highway right of way a distance of 600.00 feet to the point of beginning; being situated in Shelby County, Alabama.

Inst # 1998-04115

02/06/1998-04115
09:36 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 HCB 16.00

SCP