TENANT AT WILL AGREEMENT

STATE OF ALABAMA)

SHELBY COUNTY)

THIS AGREEMENT, made and entered between ALABAMA POWER COMPANY, a corporation (hereinafter referred to as "Licensor"), and <u>Curtis W. Wilson</u> (hereinafter collectively referred to as "Licensees").

WITNESSETH

WHEREAS, Licensor is the owner of property rights in, on and adjacent to the Coosa River and has constructed and is maintaining and operating a dam known as the Lay Dam, under license issued by the Federal Power Commission (now the Federal Energy Regulatory Commission) as Project No. 2146, thereby creating Lay Lake, the waters of which are used or intended to be used by the Company in its business of generating electrical energy; and

WHEREAS, said property rights include the ownership in fee simple of a certain tract of land (hereinafter referred to as the "Subject Land"), which is more particularly described as follows: A tract of land lying adjacent to Lot #7, Rice Acres Subdivision: a map of which is recorded in the Shelby County Probate Office, Book 3, Page 117 as shown in red on a sketch which is attached hereto and made a part hereof. Lands location Section 18, Township 24 North, Range 16 East, Shelby County, Alabama.

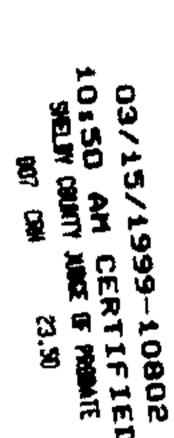
WHEREAS, Licensees have constructed or placed certain facilities on the Subject Land (hereinafter referred to as the "encroachment"), which encroachment is more particularly described in Attachment "A" hereto, and Licensees have otherwise used or intend to use the Subject Land, for recreational purposes; and

WHEREAS, the continued maintenance of said encroachment on the Subject Lands benefits Licensees in the use of the Subject Land, and Licensees desire to retain said encroachment at its present location; and

WHEREAS, said encroachment of the Subject Lands interferes with Licensor's rights in the Subject Lands.

NOW THEREFORE, in consideration of the premises and the covenants and conditions herein contained, it is hereby agreed and covenanted between the parties hereto as follows:

- 1. The term of this license shall be for the period beginning <u>January 1, 1999</u>, for which license Licensees herewith pay to Licensor the sum of One Dollar (\$1.00), and other consideration as hereinafter provided.
- 2. Licensor hereby expressly gives, to the extent of its interest, its consent and permission to Licensees to maintain the encroachment upon the Subject Land in its present location on the Subject Lands owned by Licensor and that Licensees may continue to use the Subject Land for recreational purposes, subject to the terms and conditions of this agreement or any extension thereof. Licensees acknowledge that the Subject Lands are part of the Lay Dam Project and, as such, are available for recreation by the public. Licensees further acknowledge that their right to use the Subject Land for recreational purposes shall be non-exclusive and Licensees shall not prevent or deny others from recreating on the Subject Land, nor shall Licensees restrict the general public's right of access to the Subject Land.



- 3. This license applies only to facilities currently constructed and existing on the Subject Land. For facilities to be constructed, the Licensees shall, before construction, obtain Licensor's prior written approval before beginning construction.
- Land with said encroachment and recreational use, nor in any other way are Licensees claiming rights adverse to Licensor's full ownership of the Subject Land or denying the right of Licensor to use and enjoy the Subject Land pursuant to its full ownership of the Subject Land or denying the right of Licensor to use and enjoy the Subject Land pursuant to its full ownership rights therein, but that the maintenance of said encroachment on the Subject Land by Licensee and the continued recreational use of the Subject Land by Licensee is with recognition of the fee simple title of Licensor and is with Licensor's consent and permission.
- 5. Licensees agree and covenant to release, indemnify, protect and hold harmless Licensor from and against any and all claims and demands by Licensees, any member of Licensees' family, their employees, tenants, guest, invitees or any other persons whomever, for damages to property or injury or death to persons (whether or not caused by Licensor's negligence), which may arise out of or be caused by, directly or indirectly, the use or exercise of fee title ownership of the Subject Land by Licensor.
- 6. If Licensees shall fail to comply with any of the provisions of this agreement or default in any of its obligations under this agreement and shall fail within thirty (30) days after written notice form Licensor to correct such default or noncompliance, Licensor may, at its option, forthwith or at any time thereafter terminate the consent and permission granted herein. If such permission and consent is so terminated, Licensees shall, within (60) days after such termination, remove said encroachment from the Subject Land. In the event it becomes necessary for Licensor to institute court proceedings to enforce the provisions of this agreement or to require Licensees to remove said encroachment, then Licensees expressly waive hereby any defenses of estoppel, latches, the statute of limitations and similar defenses in court proceedings. Further Licensees for themselves their heirs and assigns expressly agree to reimburse Licensor, its successors and assigns, for all costs and expenses, including attorney's fees incurred in to enforce this agreement and the costs and expenses incurred by Licensor to remove the encroachment.
- 7. Licensees shall at all times insure to the satisfaction of Licensor that the encroachment on the Subject Land is constructed and maintained in such a manner as to be consistent with shoreline aesthetic values, and comply with all applicable State and local health and safety regulations. Licensees shall also have the sole obligation of insuring that the encroachment is maintained in a good state of repair.
- 8. Lay Lake is the property of Licensor and the Lay Dam was built and is being operated and maintained to hold back, retain, accumulate, store and assist in controlling the waters of the Coosa River and its tributaries, and Licensor must retain the full, unconditional, unrestricted and complete right and privilege to raise or lower, restrict, control, store, retain, withhold, increase, decrease, retard, stop obstruct, divert or use the waters of said reservoir in any manner Licensor, its successors and assigns, may deem expedient; and the erection, operation maintenance by Licensees of said encroachment shall in no way interfere with such uses, regulation, of control of said reservoir or the waters thereof.
- 9. This agreement constitutes a mere license for use of Licensor's Lay Dam Project land and/or waters, and Licensees hereby agree, on behalf of themselves and their heirs, administrators, successors and assigns, that they will not attempt to set up any claim of property rights or interest in or to said reservoir or the adjacent lands of Licensor by reason of the occupancy or use of the encroachment.

- 10. No charge may be made for use by others of the Subject Land nor commercial activity be engaged in thereon.
- 11. The size of all facilities shall be kept to the size shown on the Attached Appendix "A" to limit encroachment on the Subject Land.
- 12. No pier or boathouse on the Subject Land is to be used for human habitation. Household furnishings are not permitted on boat piers or boathouses. Boat mooring buoys and flotation units of floating facilities shall be constructed of materials that will not become waterlogged or sink when punctured. Floating facilities shall be securely anchored in accordance with the approved plans so that such floating facilities do not obstruct the use of the lake.
- 13. Licensees shall not attempt to forbid the full and free use by the public of all navigable waters at or adjacent to the Subject Land or to unreasonably interfere with navigation in connection with construction, operation or maintenance of the encroachment.
- 14. Licensees agree that if subsequent operations by Licensor require an alteration in the location of the encroachment, or if in the opinion of Licensor the encroachment shall cause unreasonable obstruction navigation or that the public interest so requires, Licensees shall be required, upon written notice from Licensor, to remove, alter, or relocate the encroachment, without expense to Licensor.
- 15. Licensor shall in no case be liable for any damage or injury to the encroachment that may be caused by or result from subsequent operations undertaken by Licensor, or any Federal, State or local agency of the Government, for the improvement of navigation or for other lawful purposes, and no claims or right to compensation shall accrue from any such damage.
- 16. The construction, operation, and maintenance of the encroachment is subject to all applicable Federal, State and local laws and regulations.
- 17. This license does not convey any property rights, either in real estate or material, and does not authorize any injury to private property or invasion of private rights or any infringement of Federal, State, or local laws or regulations, nor does it eliminate the necessity of obtaining Federal, State, or local assent required by law for the construction, operation, or maintenance of the encroachment.
- 18. By thirty (30) days' written notice, mailed to Licensees by registered or certified letter, Licensor may revoke this license whenever it determines that the public interest necessitates such revocation or when it determines that Licensees have failed to comply with the conditions of this license. The revocation notice shall specify that reasons for such action.
- 19. Notwithstanding the preceding condition, if in the opinion of Licensor emergency circumstances dictate otherwise, Licensor may summarily revoke this license.
- 20. Licensees are responsible for proper design, engineering, construction, and maintenance of the proposed facility. Licensor's review and approval of the location of the encroachment are no guarantee or assurance that Licensees' encroachment is safe, proper or adequate for the purposes intended.
- 21. It is understood and agreed by an between Licensor and Licensees that part of the consideration for the granting of this permit for lakeshore use is Licensees' agreement to cooperate with and participate in the program of solid waste disposal in effect in the area of the permitted facility. Further, Licensees are to keep project lands and waters occupied by and surrounding the encroachment free of all waste, garbage, and other unsightly debris and materials are to comply with local health rules and regulations.

- 22. It is understood and agreed between the parties hereto that this entire agreement touches, concerns and benefits both the Subject Land and Licensees' adjoining land, is intended by the parties hereto to be construed as covenants that run with the land and are to be binding upon and enforceable against the parties hereto and their respective heirs, successors and assigns. The continued use of the encroachment by any heir, successor or assign of Licensees shall conclusively be deemed his agreement to be bound by all the covenants and agreements herein assumed by Licensees, including the acknowledgment of the permissive nature of the continuation of such encroachment, the agreements of indemnity, and all other conditions of this agreement.
- 23. Licensees acknowledge that the rights granted herein are subject to such rights as the Federal Energy Regulatory Commission or any other agency of the Federal Government may have in said lands under and by virtue of any license and amendments thereto that have been issued or that may be issued or amended in the future by the Federal Energy Regulatory Commission.
- land adjoining the Subject Land, Licensees, for themselves, their heirs, successors and assigns, as a condition of this grant, shall give to Licensor, or its successors and assigns, notice in writing of the name and address of the grantee of their said land adjoining the Subject Land within ten (10) days of their disposing of such lands. In the event that Licensor is not given such notice Licensees or their heirs, successors or assigns, then at the option Licensor, this license may be terminated.
- 25. Where notices are provided for herein, such notices shall be conclusively deemed given when posted in the United States mail, addressed as follows:

NOTICE TO LICENSOR

NOTICE TO LICENSEES

Alabama Power Company Corporate Real Estate Dept. P. O. Box 2641 Birmingham, Alabama 35291

Curtis W. Wilson 283 Obarr Road Leeds, AL 35094

IN WITNESS WHEREOF, the parties have executed this agreement and affixed their hands and seals on this _______, day of ________, 19 99.

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WITNESS:

ALABAMA POWER COMPANY

Manager, Sales & Acasine

WITNESSES:

LICENSEE:

Curtis W. Wilson

STATE OF ALABAMA)
COUNTY OF Shelly)
in said State, hereby offify that, a notary public in and for said County whose name(s) are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of such instrument, executed the same voluntarily on the day the same bears date. Given under my hand and official seal this
Notary Public Notary
Notary Public
STATE OF ALABAMA) COUNTY OF Shelly)
I, May C. Brown, a notary public in and for said County in said State, hereby certify that
whose name(s) are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of such instrument, executed the same voluntarily on the day the same bears date.
Given under my hand and official seal this 11th day of January 19
Motary Public Notary Public

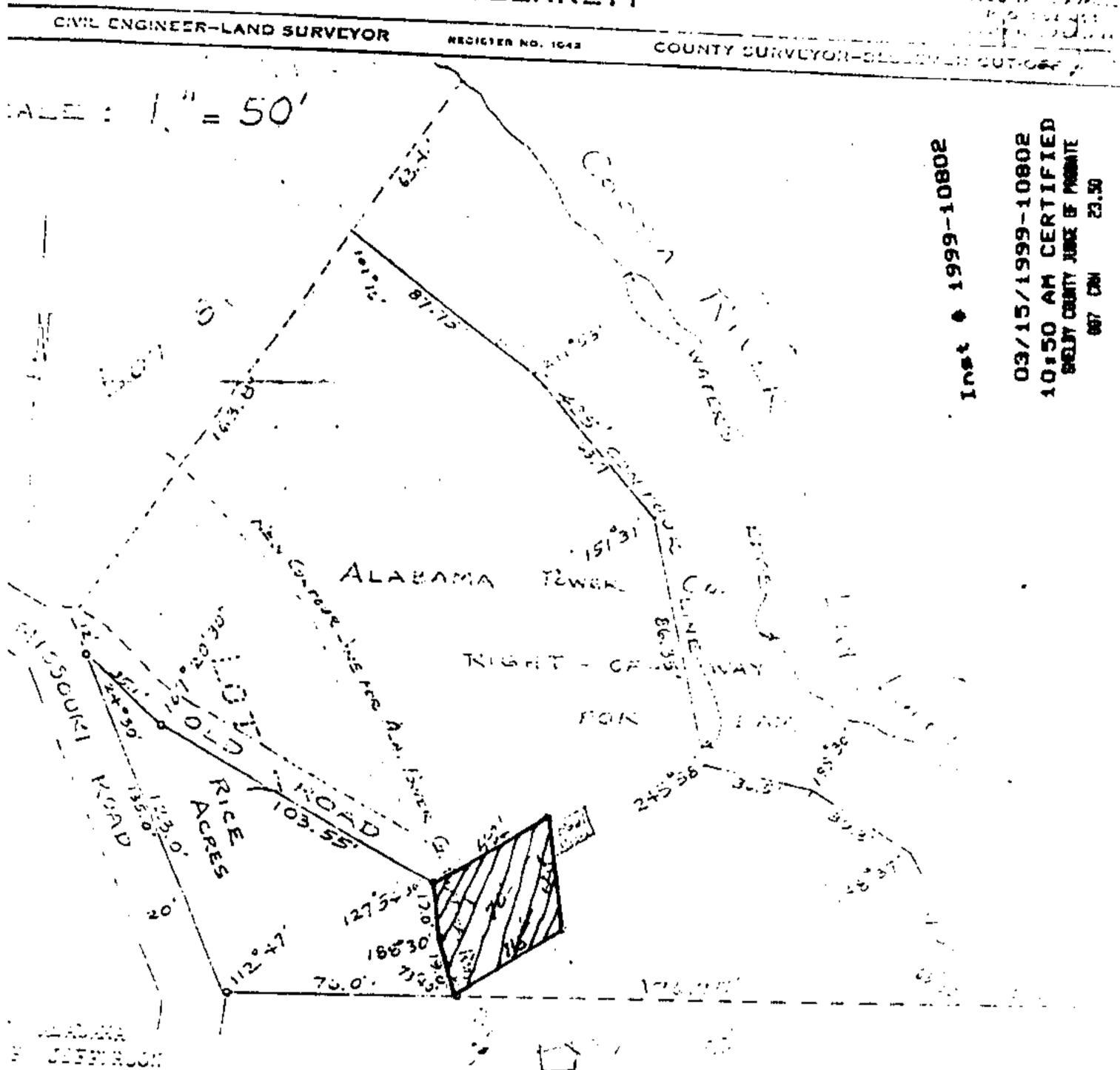
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APPENDIX "A"

DESCRIPTION OF ENCROACHMENT

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