

Deutsche Financial Services

COPY

RETAIL INSTALLMENT AND SECURITY AGREEMENT (CONSTRUCTION/INDUSTRIAL/AGRICULTURAL EQUIPMENT)

SELLER McCORD EQUIPMENT		BUYER RONNY D. BLANKENSHIP		AGREEMENT NUMBER
ADDRESS 2737 HWY 47 S.		BILLING ADDRESS 4172 HWY 61		AGREEMENT DATE SEPTEMBER 28, 1999
CITY COLUMBIANA	STATE AL	ZIP 35051	CITY COLUMBIANA	STATE AL

Undersigned Buyer (if more than one, jointly and severally) having been quoted both a time price and lesser cash price, hereby purchases and undersigned Seller hereby sells on a time price basis and subject to all terms, conditions and agreements contained herein, including the ADDITIONAL PROVISIONS SET FORTH ON THE REVERSE SIDE HEREOF OR ADDITIONAL PAGES HERETO (the "Agreement"), the Equipment described below and/or in the Schedule "A" attached hereto and incorporated herein, delivery inspection and acceptance of which are hereby acknowledged by Buyer.

QTY.	NEW/USED	MAKE	MODEL	DESCRIPTION	SHOW ALL SERIAL AND ENGINE NUMBERS	PRICE
1	NEW	LONG	2047	BALER	1095	17,295.00
1	NEW	LONG	8'	DISC MOWER	2008	INCLUDED
1	NEW	LONG	2091	HAY RAKE	1224	INCLUDED

COMPUTATIONS HERE				PAYMENT SCHEDULE			
1	TOTAL CASH SALES PRICE	\$	17,295.00	12 BUYER AGREES TO PAY SELLER, OR ASSIGNEE OF SELLER, THE AGREEMENT PRICE (ITEM 10) IN MONTHLY PAYMENTS AS (MONTHLY/QUARTERLY/SEMI-ANNUAL/ANNUAL) FOLLOWS: <u>72</u> AT \$ <u>234.45</u> (NUMBER) (AMOUNT) THE FIRST PAYMENT SHALL BE DUE ON <u>10/28/99</u> AND PAYMENTS SHALL CONTINUE ON THE SAME DAY OF EACH SUCCEEDING PAYMENT PERIOD AS THE FIRST PAYMENT, AND/OR, BUYER, IF APPLICABLE, AGREES TO PAY SELLER OR ASSIGNEE OF SELLER, ONE OR MORE PAYMENTS IN UNEQUAL AMOUNTS AND/OR IRREGULAR PERIODS AS FOLLOWS:	NUMBER OF PAYMENT(S)	DUE OR START DATE OF PAYMENT(S)	AMOUNT OF PAYMENT(S)
2	SALES TAX	\$					
3	CASH PRICE (LINE 1+2)	\$	17,295.00				
4	DOWN PAYMENT						
	A. CASH	\$	2,167.75				
	B. TRADE-IN (NET)	\$					
	TOTAL DOWN PAYMENT	\$	2,167.75				
5	UNPAID CASH BALANCE (LINE 3-4)	\$	15,127.25				
6	LIEN FILING FEES	\$	15.00				
7	OTHER						
	a Documentation Fee	\$	150.00				
	b Physical Damage Insurance	\$	747.14				
	c Credit Life Insurance	\$					
	d Credit Disability Insurance	\$					
	TOTAL OTHER	\$	897.14				
8	UNPAID PRINCIPAL BALANCE (AMOUNT FINANCED TOTAL OF 5+6+7)	\$	16,039.39				
9	FINANCE CHARGE (TIME PRICE DIFFERENTIAL)	\$	4,441.01				
9a	TIME PRICE DIFFERENTIAL RATE (SEE ADDITIONAL PROVISIONS)		8.290%		Date finance charges begin, if different from Agreement Date		
10	AGREEMENT PRICE (TIME BALANCE TOTAL OF 8+9)	\$	20,480.40	TRADE-IN INFORMATION			
				MAKE/MODEL	SERIAL OR ID NO.	ALLOWANCE	
11	TIME SALE PRICE (TOTAL OF 4+10)	\$	22,648.15	LESS PAYOFF TO		\$ (NA)	
				NET TRADE-IN ALLOWANCE (LINE 4B)		\$	

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ADDITIONAL PROVISIONS

TIME PRICE DIFFERENTIAL RATE: The time price differential rate is based on the actual number of days elapsed over a year of 360 days.

DELINQUENCY CHARGES: After the maturity of any installment, said installment shall bear interest at the highest contract rate provided by law, but not to exceed 1.5% per month. Buyer also agrees to pay all expenses, including reasonable attorney's fees where not prohibited by law, incurred in the collection, by suit or otherwise, of any amount payable under this Agreement and agrees to pay, upon acceleration of the above indebtedness, interest on all sums then owing hereunder at the after maturity rate set forth herein. In the event that the law of the state in which the Buyer resides prohibits or limits the collection of any charges or fees specified above, then, in such event, said prohibition or limitation shall be given effect and shall not nullify or void the other provisions of this Agreement.

SECURITY INTEREST: In order to secure payment of the indebtedness contained herein, Seller hereby retains and the Buyer hereby grants to Seller, a purchase money security interest under the Uniform Commercial Code in and to the above described Equipment sold hereunder, together with all replacements, attachments, repairs and accessions thereto and all proceeds thereof and agrees, if not prohibited by law, that said security interest secures any and all obligations of Buyer at any time owing to Holder (see below), now existing and/or hereafter incurred. The Buyer hereby appoints the Holder its attorney-in-fact to prepare and file any instruments, financing statements or other documents as are necessary or advisable for the protection or perfection of the security interest granted in favor of the Holder hereby. The power of attorney is coupled with an interest and is irrevocable.

PREPAYMENT REBATE: Buyer may prepay the obligation under this Agreement in full at any time, and upon doing so, may be entitled to a rebate of the unearned FINANCE CHARGE computed in accordance with the "sum-of-the-balances" method (Rule of 78's) after first deducting an acquisition fee of not less \$150.00 and, in any event 1/5 of 1% of the remaining unpaid principal balance, up to \$500.00, or such lesser sum as may be provided by law, except where the rebate of the unearned FINANCE CHARGE is required by law to be computed in accordance with the actuarial method. No rebate will be made, unless required, if the amount thereof is less than \$10.00.

ENTIRE AGREEMENT: Buyer agrees that this Agreement including the ADDITIONAL PROVISIONS INCLUDED HEREIN, which he has read and which he agrees to, contains the entire agreement relating to the installment sale of said Equipment and supersedes all previous contracts and agreements between Buyer and Seller, relating to the order or sale of said Equipment, except as to any written agreements between Buyer and Seller concerning warranty.

ASSIGNMENT: As used herein "Holder" shall mean Seller or assignee of Seller. This Agreement is to be assigned to Deutsche Financial Services Corporation (DFS or Deutsche Financial Services), with its principal place of business at P.O. Box 31639, St. Louis, MO 63131-0639. Buyer agrees to make all payments hereunder directly to such assignee and the original Seller shall not be the agent of the Holder for transmission of payment or otherwise. Assignee shall be entitled to all rights of the Seller free from any claim, defense, set-off, recoupment or counterclaim by the Buyer.

PAYMENTS: Buyer agrees to pay installments to Deutsche Financial Services, P.O. Box 828169, Philadelphia, Pennsylvania 19182-8169 or at any other place directed by DFS in writing.

USE OF EQUIPMENT: Buyer shall hold and use said Equipment at his risk and expense with respect to loss or damages and taxes and charges of every kind; shall take proper care of said Equipment and shall not abuse or misuse the same; shall not sell, assign, transfer or encumber his interest in said Equipment or remove said Equipment from the location of the Buyer shown hereon without the prior written consent of Holder; shall not use said Equipment for any illegal purpose; shall not attach any of said Equipment to any real estate or to any other equipment in such a manner as to become a part thereof; and shall defend any action or claim affecting the Equipment. Buyer agrees that the Equipment was delivered to and accepted by the Buyer in satisfactory condition and that the Equipment is free and will be kept free from all liens, claims and encumbrances other than that created hereby. If Buyer fails to pay said taxes and said charges, Holder may, at its election, either do so and charge it to Buyer, or treat such failure as a breach of a condition of this Agreement. Any amount so paid by the Holder shall become a part of the indebtedness secured hereunder and shall be payable immediately upon demand. Holder may inspect said Equipment at all reasonable times and from time to time.

INSURANCE:

Buyer agrees to insure the Equipment, promptly after its delivery, at Buyer's expense, with an insurer acceptable to Holder, against loss by physical damage, fire, theft and combined additional coverage for the period of the term of this Agreement. The insurance coverage shall be in an amount of the actual cash value of the Equipment with a maximum deductible of \$500. Such insurance shall provide that the Holder will receive 10 days advance notice of cancellation, shall name the Holder as loss payee and provide that any act of the Buyer or any person other than Holder will not void the policy as to Holder. Buyer assigns to Holder all proceeds of physical damage insurance which is maintained by Buyer. Buyer hereby irrevocably appoints Holder as Buyer's attorney-in-fact to make a claim for, reserve payment of, and execute and endorse all documents, checks or drafts received in payment of loss or damage under any insurance. If Buyer fails to deliver evidence of such an insurance policy within 15 days of the date of this Agreement or should

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such insurance be canceled or allowed to lapse before full payment of this Agreement, Holder may either purchase such a policy or purchase single interest insurance protecting Holder alone and charge the same to Buyer, or treat such failure of Buyer to maintain insurance as a breach of this Agreement. Any amount so paid by the Holder shall become a part of the indebtedness secured hereunder and shall be payable immediately upon demand, together with interest thereon at 1.5% per month, not to exceed the maximum interest allowed by law.

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND EQUIPMENT DAMAGE CAUSED TO OTHERS IS NOT INCLUDED HEREIN.

The Buyer, at his expense, agrees to insure, in an amount of at least one million dollars, both the Buyer and the Holder against the risk of personal injury and physical damage (to equipment other than the Equipment itself) arising out of or resulting from or because of the operation of the Equipment. Evidence of such insurance will be provided to the Holder.

WARRANTY DISCLAIMER: Holder makes no warranties or representations, expressed or implied, as to the quality, workmanship, design, merchantability, suitability or fitness of the Equipment for any particular purpose, or any other representation or warranty whatsoever, expressed or implied, unless such warranties are in writing signed by Holder. Holder shall not, under any circumstances, be liable for loss of anticipatory profits or for consequential damages.

DEFAULT: Time is of the essence hereof and if Buyer defaults in the payment of any one of the installments or other payments provided for herein or under any other instrument or agreement or breaches any other covenant or condition of this Agreement, or any other instrument or agreement, or if the Equipment is levied upon, or if Buyer attempts or commences a bulk sale or takes any action towards dissolution or liquidation or if Buyer fails to keep the Equipment insured, or Buyer or any co-Buyer, co-signer or guarantor dies, or becomes incompetent, or becomes bankrupt or insolvent or a petition in bankruptcy is filed by or against the Buyer or any co-Buyer, co-signer or guarantor, or if any representation or warranty made by Buyer herein or in any other document was incorrect in any material respect when made, or if any of the Equipment is lost or destroyed, or if there is any material change in the financial condition of the Buyer to the detriment of the Holder, then Holder may in any such event declare the total amount unpaid hereunder, together (if not prohibited by law) with any other indebtedness owing to Holder including accrued delinquency charges, and excluding unearned finance charges, immediately due and payable and may take possession of said Equipment wherever found, without notice, demand or legal process, or may require the Buyer to assemble the Equipment and make it available to the Holder at a place to be designated by the Holder, and where not prohibited by law, may sell the same at public or private sale, except where otherwise specified in this Agreement with or without notice, at which sale Holder may become the buyer, may deduct from the proceeds of any such sale all taxes and charges due on said Equipment and all expenses of taking, removing, holding, repairing and selling said Equipment, and may apply the net proceeds to this Agreement, returning to Buyer any surplus or holding Buyer liable for any deficiency; and in consideration of the use of the Equipment and for diminution in saleable value thereof, Holder may retain all payments made; or Holder may pursue any other remedy provided by law. Buyer agrees to pay interest on any deficiency at the after maturity rate set forth in this Agreement, or, if none is stated, at the highest contract rate allowed by law, not to exceed 1.5% per month. Interest shall be calculated based on a 360-day year and the actual number of days elapsed. Any requirement of reasonable notice which Holder may be obligated to give regarding the sale or other disposition of the Equipment will be met if such notice is mailed to Buyer at its address shown herein at least seven days before the time of sale or other disposition, unless otherwise provided by law. Holder may accept partial payment of any sum due without waiving or otherwise modifying the terms of this Agreement, and the waiver by Holder of a breach of any condition of this Agreement shall not constitute a waiver of any subsequent breach whether or not of a like character. In the event of bankruptcy or other insolvency proceedings, in addition to the above remedies, the Holder shall be entitled to any rental or other income produced by the Equipment prior to its release to Holder.

CONSENT TO JURISDICTION: CHOICE OF LAW PROVISIONS. Buyer consents, at the option of the Holder, to personal jurisdiction in any matter arising under this Agreement, in either the place of residence of Buyer, or in the principal place of business of the Holder, which is in St. Louis County, Missouri, and that Holder may act as Buyer's agent for the purpose of service of process with a copy of such service being delivered to the Buyer at his place of residence, listed herein. Furthermore, intending that each and every provision of this Agreement be fully effective and enforceable according to its terms, Buyer and Holder agree that the validity, enforceability and effectiveness of each provision hereof shall be determined by the law of the state where the Equipment may be located or the residence or principal place of business of Buyer or Holder, whichever renders each such provision effective; however, if any one or more provisions hereof are in conflict with any statute or law and therefore not valid or enforceable, then each such provision shall be deemed null and void, but to the extent of such conflict only and without invalidating or affecting the remaining provisions hereof. Unless otherwise prohibited by law, Buyer and Holder hereby waive any and all right to a trial by jury in any action or proceeding based hereon or arising hereunder.

APPLICATION OF PAYMENTS: Each installment payment received by Holder shall be applied first to the finance charge and delinquency charges, next to all expenses and fees incurred by Holder on behalf of Buyer, and then to the unpaid principal balance (amount financed) then outstanding hereunder.

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agreed that this Agreement shall be deemed to be completed and effective when assignment of the Agreement is accepted by Holder at its principal place of business. Buyer further represents and warrants to Holder that the Equipment being purchased hereunder is being purchased solely for business, commercial or agricultural use, and is not being purchased for personal, family or household use.

OPTIONAL TERM LIFE INSURANCE	PHYSICAL DAMAGE (EQUIPMENT) INSURANCE
LIFE INSURANCE IS NOT REQUIRED TO OBTAIN CREDIT and will not be provided unless Buyer signs below and the premium is shown on line 7c of COMPUTATIONS, above, and Holder accepts this Agreement. Eligibility for Life Insurance shall be determined solely by the insurer and not Seller or Holder. Coverage shall be as provided in the certificate of insurance.	Buyer may obtain physical damage insurance from anyone that is acceptable to Holder. If Buyer obtains this insurance through Verway Insurance Agency, Buyer will pay the premium shown below. No insurance will be provided unless Buyer signs below, the premium is shown below and on line 7b of COMPUTATIONS, above, and Holder accepts this Agreement.
Date: <u>9-23-99</u> Signature: <u>XXXXXXXXXXXXXXXXXXXX</u>	Date: <u>9-29-99</u> Signature: <u>XXXXXXXXXXXXXXXXXXXX</u>
Age: <u>46</u> Cost of Insurance: _____	Cost of Insurance: \$ 747.14

NOTICE TO BUYER: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THE AGREEMENT WHEN YOU SIGN IT. KEEP IT TO PROTECT YOUR LEGAL RIGHTS. 3. UNDER THE LAW, YOU HAVE THE FOLLOWING RIGHTS, AMONG OTHERS: (a) TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND OBTAIN A PARTIAL REFUND OF ANY UNEARNED FINANCE CHARGE; (b) TO REDEEM THE EQUIPMENT IF REPOSSESSED FOR A DEFAULT; (c) TO REQUIRE, UNDER CERTAIN CONDITIONS, A RESALE OF THE EQUIPMENT, IF REPOSSESSED.

BUYER ACKNOWLEDGES RECEIPT OF A TRUE AND COMPLETELY FILLED-IN COPY OF THIS AGREEMENT.

Executed the day and year first above written.

SELLER McCORD EQUIPMENT

By *Harold McCord*
Authorized Signature

Title *Owner*

BUYER RONNY D. BLANKENSHIP

By *Ronny D. Blankenship*
Authorized Signature

By _____
Holder's Signature

SUBMISSION FOR CREDIT

Seller submits the agreement set forth above ("Agreement") to Deutsche Financial Services (DFS) for credit pursuant to the terms of the Retail Financing Agreement between DFS and Seller. If accepted for credit by DFS, Seller assigns all rights, title, and interest in and to the Agreement, except for any down payment, which is retained by Seller, to DFS at its head office in St. Louis, Missouri. Seller shall remit to applicable taxing authorities all sales or use taxes due upon the execution of the Agreement, including taxes on any payment retained by Seller. Seller represents that the Equipment was delivered to Buyer on the Agreement Date set forth on the first page hereof, unless a different Delivery Date is inserted at the end of this sentence. Delivery Date: 9-29-99

SEPTEMBER 28, 1999
Date

McCORD EQUIPMENT
Seller's Name

By *Harold McCord Equipment*
Authorized Signature

Inst # 1999-42657

10/14/1999-42657
 10:14 AM CERTIFIED
 SHELBY COUNTY JUDGE OF PROBATE
 005 CJ1 43.15