

**Important: Read Instructions on Back Before Filling Out Form**

<input type="checkbox"/> The Debtor is a transmitting utility as defined in ALA CODE 7-9-105(n).	No. of Additional Sheets Presented: <b>4</b>	This FINANCING STATEMENT is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code.
1. Return copy or recorded original to:  <b>Herbert H. West, Jr.</b> <b>Cabaniss, Johnston, Gardner, Dumas &amp; O'Neal</b> <b>P. O. Box 830612</b> <b>Birmingham, AL 35283-0612</b>  Pre-paid Acct # _____		THIS SPACE FOR USE OF FILING OFFICER Date, Time, Number & Filing Office  <div style="writing-mode: vertical-rl; transform: rotate(180deg);">             Inst # 1999-45254               11/02/1999-45254              03:48 PM CERTIFIED              SHELBY COUNTY JUDGE OF PROBATE              005 MMS 20.00           </div>
2. Name and Address of Debtor (Last Name First if a Person)  <b>Gradco, Inc.</b> <b>7341 Cahaba Valley Drive</b> <b>Birmingham, Alabama 35242</b>  Social Security/Tax ID # _____		
2A. Name and Address of Debtor (IF ANY) (Last Name First if a Person)     Social Security/Tax ID # _____		
<input type="checkbox"/> Additional debtors on attached UCC-E		
3. SECURED PARTY (Last Name First if a Person)  <b>First Commercial Bank</b> <b>800 Shades Creek Parkway</b> <b>Birmingham, Alabama 35209</b> <b>Attn: A. Todd Beard</b> Social Security/Tax ID # _____		4. ASSIGNEE OF SECURED PARTY (IF ANY) (Last Name First if a Person)     
<input type="checkbox"/> Additional secured parties on attached UCC-E		
5. The Financing Statement Covers the Following Types (or items) of Property:  See Schedule 1 attached hereto and incorporated herein by reference. This financing statement is being recorded as additional security to that certain Mortgage, Security Agreement and Assignment of Rents and Leases recorded simultaneously herewith as Instrument No. _____  Check X if covered: <input checked="" type="checkbox"/> Products of Collateral are also covered.		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">         6. This statement is filed without the debtor's signature to perfect a security interest in collateral (check X, if so)   <input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state.   <input type="checkbox"/> already subject to a security interest in another jurisdiction when debtor's location changed to this state.   <input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest is perfected.   <input type="checkbox"/> acquired after a change of name, identity or corporate structure of debtor   <input type="checkbox"/> as to which the filing has lapsed.         </div> <div style="width: 35%;">         7. Complete only when filing with the Judge of Probate:          The initial indebtedness secured by this financing statement is \$ _____           Mortgage tax due (15¢ per \$100.00 or fraction thereof) \$ _____       </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">         8. <input checked="" type="checkbox"/> This financing statement covers timber to be cut, crops, or fixtures and is to be cross indexed in the real estate mortgage records (Describe real estate and if debtor does not have an interest of record, give name of record owner in Box 5).       </div> <div style="width: 35%; text-align: center;">         5A. Enter Code(s) From Back of Form That Best Describes The Collateral Covered By This Filing:           _____   <b>SHELBY COUNTY JUDGE OF PROBATE</b> </div> </div>		
By: <u><i>[Signature]</i></u> Signature(s) of Debtor(s)		Signature(s) of Secured Party(ies) (Required only if filed without Debtor's Signature -- see Box 6)
Its: <u><i>Gradco, Inc.</i></u> Signature(s) of Debtor(s) <b>Gradco, Inc.</b> Type Name of Individual or Business		Its: _____ Signature(s) of Secured Party(ies) <b>First Commercial Bank</b> Type Name of Individual or Business

**SCHEDULE 1 TO  
UCC-1 FINANCING STATEMENT BETWEEN  
GRADCO, INC. ("DEBTOR"),  
AND FIRST COMMERCIAL BANK ("SECURED PARTY")**

A. The UCC-1 Financing Statement attached hereto covers the following property:

1. As used in this Schedule 1 to the UCC-1 Financing Statement attached hereto, the following terms shall have the respective meanings assigned to them as follows:

(a) Each accounting term not defined herein shall have the meaning given to it under generally accepted accounting principles applied on a consistent basis.

(b) "Accounts" shall mean all Accounts Receivable, Contract Rights, Chattel Paper, Instruments and Documents.

(c) "Accounts Receivable" shall mean a right to payment for goods sold or leased or for services rendered by Debtor, whether or not evidenced by an Instrument or Chattel Paper, and shall include a right to payment which has been earned under a Contract Right.

(d) "Assigned Agreements" shall mean and include all leases, contracts and agreements included in the Collateral, or in connection with which Accounts now exist or may hereafter be created.

(e) "Assignment of Life Insurance" shall mean that certain Assignment of Life Insurance dated of even date herewith executed by Debtor in favor of Secured Party and any amendments, renewals, modifications or extensions thereof.

(f) "Chattel Paper" shall have the meaning attributed to that term under the Alabama Uniform Commercial Code.

(g) "Collateral" shall have the meaning assigned to that term in Section 3 of the Security Agreement.

(h) "Contract Right" shall mean any right to payment under a contract not yet earned by performance, whether or not evidenced by an Instrument or Chattel Paper.

(i) "Deposit Accounts" shall mean and include all accounts with Secured Party and other deposit accounts and lock boxes included in the Collateral or established for the benefit of Secured Party pursuant to the terms of the Security Agreement, the Notes, or the other Loan Documents.

(j) "Document" shall have the meaning attributed to that term under the Alabama Uniform Commercial Code.

(k) "Environmental Indemnity Agreement" shall mean that certain Environmental Indemnity Agreement dated of even date herewith executed by Summers and Debtor in favor of Secured Party and any amendments, renewals, modifications or extensions thereof.

(l) "Equipment" shall mean all of Debtor's now owned and hereafter acquired tangible personal property and fixtures, including, without limitation, equipment, goods, supplies, materials, tools, furniture, machinery, vehicles, computers and associated hardware and equipment and trade fixtures, together with any and all attachments, accessions, parts and appurtenances thereto, substitutions therefor and replacements thereof.

(m) "Farm Products" shall have the meaning attributed to that term under the Alabama Uniform Commercial Code.

(n) "General Intangibles" shall mean all general intangibles as defined in the Alabama Uniform Commercial Code and all causes in action, causes of action and other intangible personal property of Debtor of every kind and nature (other than Accounts), including, without limitation, corporate or other business records, inventions, designs, patents, patent applications, trademarks, trade names, trade secrets, good will, copyrights, registrations, licenses, franchises, equipment leases, tax refund claims and any guaranty claims, security interests or other security now or hereafter held by or granted to Debtor to secure payment by a Purchaser of any of the Accounts.

(o) "Guaranty Agreements" shall mean that certain Guaranty Agreement dated of even date herewith executed by Summers in favor of Secured Party and any amendments, renewals, modifications or extensions thereof.

(p) "Instrument" shall have the meaning attributed to that term under the Alabama Uniform Commercial Code.

(q) "Inventory" shall mean goods, merchandise and other personal property now or hereafter held by Debtor for sale or lease or furnished or to be furnished under contracts of service or otherwise, raw materials, parts, finished goods, work-in-process and supplies and materials used or consumed, or to be used or consumed, in Debtor's present or any future business, and all such property the sale, lease or other disposition of which has given rise to any Accounts and which has been returned to or repossessed or stopped in transit by Debtor.

(r) "Loan Agreement" shall mean that certain Loan Agreement dated of even date herewith by and between Debtor and Secured Party and any amendments, renewals, modifications or extensions thereof.

(s) "Loan Documents" shall mean the Notes, the Mortgage, the Guaranty Agreement, the Loan Agreement, the Security Agreement, the Assignment of Life Insurance, the Environmental Indemnity Agreement, and any other documents or agreements evidencing or securing the Notes or executed in connection with any of the foregoing documents.



(t) "Mortgage" shall mean that certain Mortgage, Security Agreement and Assignment of Rents and Leases dated of even date herewith executed by Summers in favor of Secured Party and any amendments, renewals, modifications or extensions thereof.

(u) "Notes" shall mean, collectively, the Promissory Note and the Line of Credit Note dated of even date herewith, executed and delivered by Debtor to Secured Party.

(v) "Person" shall include natural persons, sole proprietorships, corporations (which shall be deemed to include business trusts), unincorporated organizations, associations, companies, institutions, entities, joint ventures, partnerships, limited liability companies, governments (whether national, federal, state, county, city, municipal or otherwise) and any governmental instrumentality, division, agency, body or department.

(w) "Purchaser" shall include any buyer or lessee of Inventory from Debtor, any customer for whom services have been rendered or materials furnished by Debtor and any other person who is now or may become obligated to Debtor on an Account.

(x) "Security Agreement" shall mean that certain Security Agreement by Gradco, Inc. in favor of First Commercial Bank dated of even date herewith.

(y) "Summers" shall mean Michael R. Summers.

2. The collateral covered by this Schedule 1 to the UCC-1 Financing Statement attached hereto is as follows:

(a) all of the Accounts, Inventory, Equipment, Farm Products and General Intangibles of Debtor, now existing and acquired or created from time to time hereafter, whether in transit or in the constructive, actual or exclusive possession of Debtor or of Secured Party or held by Debtor or others for Secured Party's account and wherever the same may be located, including, without limiting the generality of the foregoing, all Equipment and Inventory which may be located on the premises of Debtor or upon the premises of any carriers, forwarding agents, truckers, warehousemen, vendors, selling agents, processors or other third parties; and

(b) all goods represented by Accounts, Equipment, Inventory, Farm Products and General Intangibles; and

(c) all goods that may be reclaimed or repossessed from or returned by Purchasers; and

(d) all of Debtor's rights as an unpaid vendor or lienor, including stoppage in transit, replevin, detinue and reclamation; and

(e) any other property of Debtor now or hereafter held by Secured Party or by others for Secured Party's account; and

(f) all moneys of Debtor and all Deposit Accounts in which such moneys may at any time be held and all investments or securities in which such moneys may at any time be invested and all certificates, instruments and documents from time to time representing or evidencing any such moneys; and

(g) all existing and future leases and use agreements of personal property entered into by Debtor as lessor with other Persons as lessee, including, without limitation, the right to receive and collect all rentals and other moneys, including security deposits, at any time payable under such leases and agreements; and

(h) all existing and future leases and use agreements of personal property entered into by Debtor as lessee with other Persons as lessor, including, without limitation, the leasehold interest of Debtor in such property and all options to purchase such property or to extend or renew any such lease or agreement; and

(i) all books and records related to any of the foregoing; and

(j) any and all proceeds and products of, and additions and accessions now or hereafter made or added to any of the foregoing, any substitutions and replacements therefor, and all attachments and improvements now or hereafter placed upon or used in connection therewith or any part thereof.

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