

This Instrument Prepared by:
Mary Thornton Taylor
Dominick, Fletcher, Yeilding,
Wood & Lloyd, P.A.
2121 Highland Avenue
Birmingham, Alabama 35205

STATE OF ALABAMA)

SHELBY COUNTY)

Inst # 1999-47470

11/22/1999-47470
08:34 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 HNS 6127.00

MORTGAGE AMENDMENT

THIS MORTGAGE AMENDMENT is entered into as of the 17th day of November, 1999, by and between **COVINGTON COUNTY BANK**, an Alabama banking corporation ("Lender") and **DOUBLE OAK WATER RECLAMATION, L.L.C.**, an Alabama limited liability company ("Borrower"), and **WILLIAM L. THORNTON, III**, an individual, and **MICHAEL D. FULLER**, an individual (individually and collectively, jointly and severally, "Guarantors").

WITNESSETH:

WHEREAS, on June 18, 1998, Lender extended a loan to Borrower which is evidenced by a Promissory Note in the amount of \$3,500,000.00 dated June 18, 1998, and secured by that certain Mortgage which was recorded as Instrument #1998-24241 in the Office of the Judge of Probate of Shelby County, Alabama, and re-recorded as Instrument #1998-33507 in said Probate Office (the "Mortgage"). Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Mortgage; and

WHEREAS, the Mortgage secures the Indebtedness, which includes any and all future advances and all future obligations and liabilities of Borrower to Lender until actual cancellation of the Mortgage on the probate records of Shelby County, Alabama and the Mortgage has not been so canceled; and

WHEREAS, Borrower has requested that Lender advance additional funds in the amount of Four Million Sixty Nine Thousand and No/100 Dollars (\$4,069,000.00) to Borrower (the "Additional Advance") for the purpose of expanding the sanitary sewage treatment plant situated on the Property; and

WHEREAS, Lender has agreed to make the Additional Advance in accordance with the terms and subject to the conditions set forth in this Agreement and the Related Documents.

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **WILLIAM L. THORNTON, III**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16th day of November, 1999.

Mary Paulette Johnson

Notary Public

My Commission Expires: 7/24/2001

(SEAL)

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **MICHAEL D. FULLER**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17th day of November, 1999.

Mary P. Thornton

Notary Public

My Commission Expires: 5/24/03

(SEAL)

AGREEMENT

NOW THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender, Borrower and the Guarantors hereby agree as follows:

A. **Amendment of Mortgage.** The Mortgage is hereby amended as follows:

1. All references in the Mortgage to the "Grantor" or to the "Borrower" shall mean and refer to "Double Oak Water Reclamation, L.L.C."

2. On page one, the definition of "Note" is deleted in its entirety and the following is substituted in lieu thereof:

"Note. The word "note" means the Amended and Restated Promissory Note dated November 17, 1999 in the original principal amount of \$7,569,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the said promissory note. The maturity date of the Note is November 17, 2002. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

3. On page one, the definition of Mortgage is amended by adding the phrase "together with any and all amendments and modifications thereto" at the end of said definition.

B. **Reaffirmation of Mortgage.** The Mortgage, as hereby amended, is hereby restated, republished and affirmed by Borrower, including with limitation, each and every representation, warranty, covenant and agreement made by Borrower therein.

C. **Definition of Real Property.** The definition of "Real Property" is hereby amended to less and except therefrom any portion of the Real Property lying within any public right of way.

D. **Representations and Warranties.** Each and every representation, warranty, covenant and agreement contained in the Mortgage is hereby reaffirmed as of the date hereof. Borrower hereby represents, warrants and certifies to Lender that no Event of Default nor any condition nor any event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under the Mortgage.

E. **Expenses.** Borrower shall pay any recording and all other expenses incurred by Lender and Borrower in connection with the modification of the Related Documents and any other transactions contemplated hereby, including without limitation, title or other insurance premiums, survey costs, reasonable legal expenses, and recording fees and taxes.

F. **Execution by Guarantors.** The Guarantors have executed this Agreement to acknowledge and evidence their consent to the transactions contemplated hereby, including the making of the Additional Advance and execution and delivery of the Amended and Restated Note, the amendments to the Mortgage as described herein and the amendments to the Related Documents made contemporaneously herewith, and to acknowledge and affirm the continuing effect of their respective guaranty agreements executed on behalf of Borrower in favor of Lender and the obligations contained therein.

G. **Severability.** In case any one or more of the covenants, agreements, terms or provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity and enforceability of the remaining covenants, agreements, terms or provisions contained herein shall in no way be prejudiced, diminished or otherwise affected thereby.

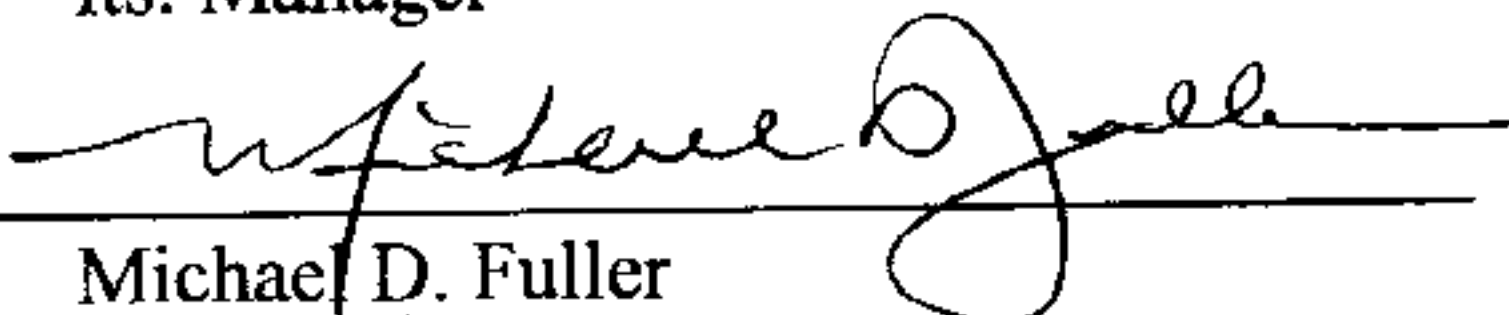
[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have hereunto caused this Mortgage Amendment to be duly and properly executed as of the date first set forth above.

BORROWER:

DOUBLE OAK WATER RECLAMATION, L.L.C.
an Alabama limited liability company


By: South Edge, Inc.
Its: Manager

By: 
Michael D. Fuller
Its President

WITNESS:

LENDER:

COVINGTON COUNTY BANK

By: 
Alan L. Mims
Its: Executive Vice President

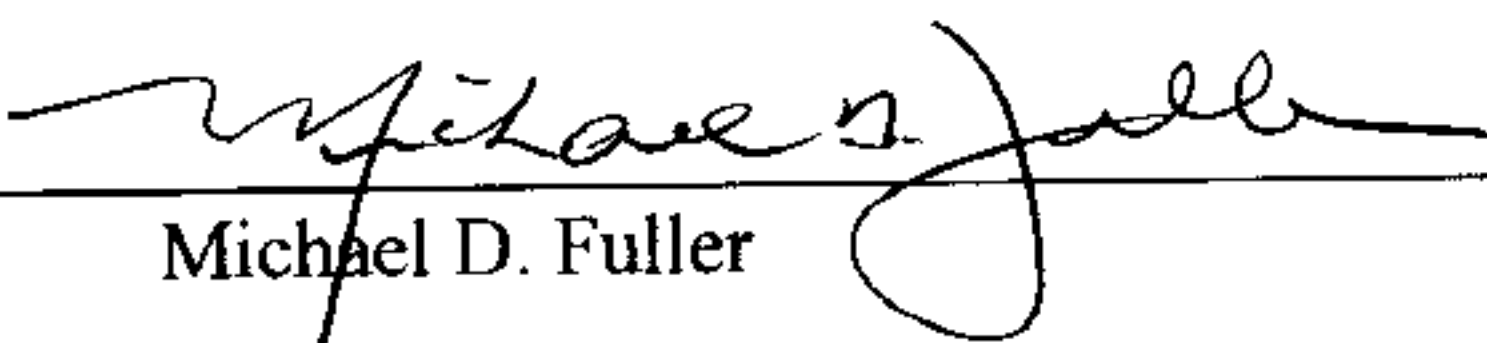
WITNESS:

GUARANTORS:


William L. Thornton, III

WITNESS:

WITNESS:


Michael D. Fuller

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **Michael D. Fuller**, whose name as President of South Edge, Inc., an Alabama corporation, as **Manager of DOUBLE OAK WATER RECLAMATION, L.L.C.**, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as Manager as aforesaid.

Given under my hand and official seal this 17TH day of November, 1999.

Mary P. Thornton

Notary Public

My Commission Expires: 5/24/03

(SEAL)

STATE OF ALABAMA)

COVINGTON COUNTY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **Alan L. Mims**, whose name as Executive Vice President of **COVINGTON COUNTY BANK**, a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 17TH day of November, 1999.

Mary P. Thornton

Notary Public

My Commission Expires: 5/24/03

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