

STATE OF ALABAMA

SHELBY COUNTY

CONDITIONAL ASSIGNMENT OF LEASE

THE AGREEMENT, made November 8, 1999, between, Timothy E. Bragg and Virginia A. Bragg, hereinafter called "Assignor" and The Peoples Bank & Trust Company, hereinafter called "Assignee":

Recitals

WHEREAS, a lease was executed on November 8, 1999, between Timothy E. Bragg and Virginia A. Bragg, as Landlord/Assignor, and Central Industrial Supply, Inc., Tenant, by the terms of which 3746 Highway 25, Montevallo, Alabama 35115 was leased by the Assignor to the Tenant, for a term of fifteen (15) years, commencing on November 8, 1999 and ending on November 5, 2014, subject to earlier termination as therein provided; and

WHEREAS, should the Assignor default on the mortgage bearing the same date, the Assignor shall assign its rights under the lease to the Assignee, and the Assignee desires to accept the assignment of said rights thereof:

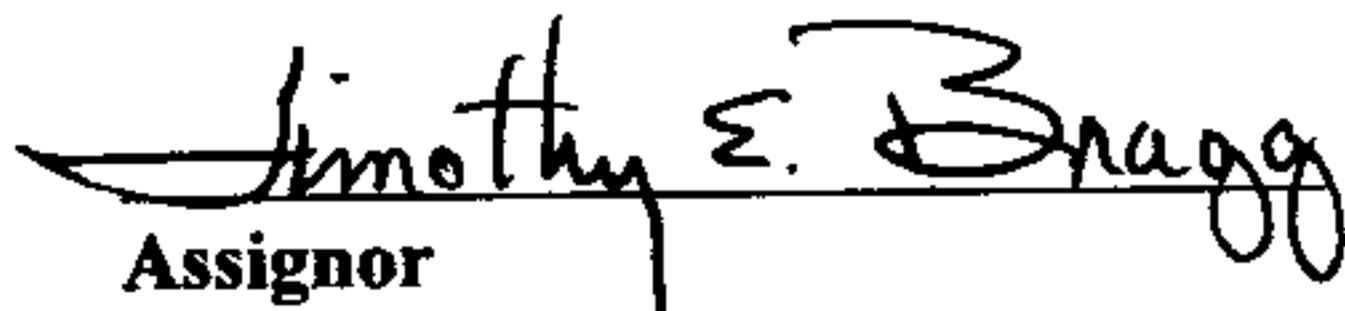
Assignment

NOW, THEREFORE, for and in consideration of the sum of \$275,000.00, receipt of which is hereby acknowledged and evidenced by the mortgage and note bearing same date, and the agreement of the Assignee, hereinafter set forth, the Assignee hereby assigns and transfers to the Assignee and his heirs, executors, administrators, and assigns all of his right, title, and interest in and to the lease hereinbefore described, and a copy of which is attached hereto as Exhibit "A" and the Assignee hereby agree to and does accept the assignment. Upon satisfaction in full of the Mortgage executed by the Assignor, this Agreement shall be null and void.

Binding on Successors

This Agreement shall be binding on and inure to the benefits of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

Executed the day and year first above written.


Assignor

Inst # 1999-48852

12/02/1999-48852

03:37 PM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE

011 HHS

33.50

Virginia A. Bragg
Assignor

[Signature]
Assignee

STATE OF ALABAMA)

) ss:

SHELBY COUNTY)

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Timothy E. Bragg and Virginia A. Bragg, whose name is signed to the foregoing Assignment, and who are known to me, acknowledged before me on this day that, being informed of the contents thereof, they executed the same voluntarily on the date the same bears date.

GIVEN under my hand and official seal of office on this the 8 day of November, 1999.

[Signature]
Notary Public

My Commission Expires: 5/13/2000

STATE OF ALABAMA)

) ss:

SHELBY COUNTY)

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Michael A. Trivette, as President and authorized agent The Peoples bank & Trust Company whose name is signed to the foregoing Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents thereof, he executed the same voluntarily and with authorization on the date the same bears date.

GIVEN under my hand and official seal of office on this the 8 day of November, 1999.

[Signature]
Notary Public

My Commission Expires: 5/13/2000

STATE OF ALABAMA

SHELBY COUNTY

COMMERCIAL LEASE

KNOW ALL MEN BY THESE PRESENTS, that

WHEREAS, Timothy E. Bragg and Virginia A. Bragg, hereinafter called "Lessor" of in the City of Montevallo, County of Shelby, State of Alabama, desires to lease certain real property hereinafter described to a suitable lessee; and

WHEREAS, Central Industrial Supply Inc. ~~BRACCO INDUSTRIAL SUPPLY CO~~, hereafter referred as "Lessee" desires to induce Lessor to lease the premises described below to Lessee;

WHEREAS, in order to carry out their desires, Lessor and Lessee have entered into this lease agreement in order to put their agreements in writing in this lease agreement, the parties have in consideration of the mutual covenants and agreements contained herein agreed as follows:

SECTION ONE
SUBJECT AND PURPOSE

Lessor leases the buildings and improvements and land located in the County of Shelby, State of Alabama, to Lessee for Lessee's use as set out below, more particularly described as follows: See attached Exhibit "1".

Lessee warrants that this is a commercial lease for the purpose of the Lessee engaging in the business of Industrial Auto Sales ~~and retail~~, provided however, that Lessee's business is conducted only with proper business license, and in accordance with all applicable rules, laws, and regulations.

SECTION TWO
TERM AND RENT

A) The initial term of this lease shall be for 5 year(s) beginning on 8th November 1999 until the 5th day of October, ~~2004~~.

B) (1.) The rental payment shall be the sum of \$3,000.00 Dollars per month, paid in advance.

(2.) Whereby Lessee is more than 30 days in arrears, or whereby Lessee abandons leased premises, Lessor may elect to hold and sell the Lessee's property located on leased premises for payment and satisfaction of the obligation owed by the Lessee to Lessor.

(3.) Any "holding over" after the termination shall be on a "month to month basis" and shall be subject to a rental rate of \$ 3000 per month.

C) If Lessor is compelled to incur any expenses, including attorney's fees in instituting or prosecuting any action or proceeding to enforce any provision of this lease or to collect any sums

coming due hereunder, then Lessee shall be liable for such sums in the amount or amounts actually incurred by Lessor, and Lessee shall pay same on the first day of the month following the presentation of a statement for same by Lessor.

D) Any installment of rent accruing under this lease, or any other sums coming due hereunder, that shall not be paid when due shall bear interest at the rate of eighteen percent(18%) per annum from the date when due and payable.

E) If Lessee shall fail to pay any month's installment of minimum or additional rent when due, or to pay any other sum due hereunder when due, then at the option of Lessor, Lessor may declare all future installments for the remainder of the term of the lease due and payable at once by giving written notice to Lessee by mail or hand delivery (which notice shall be effective upon mailing) or upon receipt if hand delivered.

SECTION THREE

IMPROVEMENTS TO BE CONSTRUCTED BY LESSOR AND LESSEE

Lessor is not responsible for constructing any improvements on leased premises.

SECTION FOUR

ALTERATIONS, ADDITIONS AND IMPROVEMENTS

Lessee shall not improve or alter the demised premises in any manner without the prior written consent of Lessor, and shall before making any improvements or alterations, submit plans and/or designs therefor to Lessor for approval. Lessor's approval shall be indicated by Lessor's signature on such plans or designs. All improvements or alterations by Lessee shall on expiration or sooner termination of this lease belong to Lessor without compensation to Lessee.

SECTION FIVE

REPAIRS

(A) Lessee shall, at all times during the term of this lease, and at its own cost and expense, repair, replace, and maintain in a good, safe, and substantial condition, all buildings and any improvements thereto on the demised premises, and shall use all reasonable precaution to prevent waste, damage or injury to the demised premises.

(B) If Lessee shall fail or neglect to make any repair, Lessor shall have the right to do so at Lessee's expense. Lessee shall reimburse Lessor for such repairs as Lessor makes or causes to be made on the first day of the month following the presentation to Lessee of a statement for same.

(C) At the end of the term of this lease, or its sooner termination, Lessee shall return to Lessor the demised premises in original condition, less ordinary wear and tear.

SECTION SIX TAXES

(A) Lessor shall pay ad valorem real property taxes on the demised premises.

(B) Lessee shall pay all personal property taxes, franchise taxes, and other taxes and assessments due or that may become due on any part of the demised premises, when due, and shall not allow any such taxes or assessments to ever form a lien on any part of the demised premises. If Lessee should fail to pay when due any tax or assessment which might form a lien on any part of the demised premises, Lessor may pay same and bill Lessee for same, which Lessee shall pay on the first day of the month following presentation of a statement for same to Lessee.

SECTION SEVEN UTILITIES

All applications and connections for necessary utility services on the demised premises shall be made in the name of the Lessee only, and Lessee shall be solely liable for such utility changes as they become due. Lessee shall hold Lessor harmless for any lien placed on the demised premises because of any unpaid utility change or changes, and shall repay Lessor for any such changes that Lessor pays to prevent or remove any lien on the demised premises on the first day of the month following presentation of a statement for same to Lessee.

SECTION EIGHT INSURANCE

(A) During the term of this lease and during any extension or renewal thereof, Lessee shall obtain and maintain at its expense the following types and amounts of insurance:

1.) PROPERTY INSURANCE. Lessee shall keep all buildings, improvements, and equipment (including contents of buildings) on the demised premises, including all alterations, additions, and improvements, insured against any loss or damage by fire, smoke, explosion, rain, wind, flood, lightning, vandalism, theft, water, falling objects, missiles of any description, and collision with any vehicle or object (including wind driven objects and debris). The insurance shall be in an amount not less than \$ mortgage balance on the building or buildings, improvements and additions and alterations, plus not less than \$ — on the fixtures and the contents of the building or buildings, plus coverage for debris removal.

2.) PUBLIC LIABILITY INSURANCE. Lessee shall procure and maintain insurance against liability for bodily injury and property damage with minimum limits of liability of \$ NA per person and \$ NA per occurrence.

3.) OTHER INSURANCE. If not included in the policies provided for above, Lessee shall procure separate and additional policies of insurance to insure plate glass in the demised premises, if any.

(B) All insurance provided by Lessee as required above shall be carried in favor of Lessor and Lessee as their respective interests may appear, and in the case of insurance against damage to the demised premises, shall provide that loss, if any, shall be adjusted with and be payable to Lessor. All insurance shall be written with responsible companies that Lessor shall approve, and the policies shall be held by Lessor, or if held by someone else, Lessor must be furnished with a copy of each policy and a receipt showing one year's paid-up premium on same. All policies shall require thirty(30) days' notice by certified or registered mail to Lessor of any cancellation or change affecting any interest of Lessor.

(C) If Lessee shall fail or refuse to provide any insurance required above, Lessor may either terminate the lease at once by written notice to Lessee by mail or hand delivery (effective upon mailing, or upon receipt by hand delivery), or procure the required insurance and bill Lessee for same. Lessee shall pay Lessor for any insurance so procured by Lessee on the first day of the month following Lessor's presentation to Lessee of a statement for same.

SECTION NINE UNLAWFUL OR DANGEROUS ACTIVITY

Lessee shall neither use nor occupy the demised premises or any part thereof for any unlawful, disreputable, or hazardous business purpose, nor operate or conduct its business in a manner constituting a public or private nuisance. Lessee shall immediately on discovery of any such use or nuisance, take action to halt same at once. If by reason of Lessee's causing or allowing any such dangerous, illegal, or disreputable activity, or any nuisance, Lessor should be made a party to any litigation to abate same, Lessee shall be liable to pay all damage awards, settlements, costs, expenses and Lessor's attorney's fees for such litigation, and shall pay same on the first day of the month following presentation of a statement for same.

SECTION TEN INDEMNITY OF LESSEE OF LESSOR

Lessee shall indemnify Lessor against all expenses, liabilities, claims of every kind, including Lessor's attorney's fees and expenses, by or on behalf of any person or entity arising out of either: (1) a failure of Lessee to perform any of the terms or conditions of this lease, (2) any injury or damage happening on or about the demised premises, (3) failure of Lessee to comply with any law or regulation of any governmental authority, or (4) any lien or security interest filed against the demised premises, or equipment, materials, alterations, or improvements thereon.

SECTION ELEVEN DEFAULT OR BREACH

Each of the following shall, at the option of Lessor, constitute a default or breach of this lease by Lessee:

(1) If Lessee, or any successor or assignee of lease, shall file a petition in bankruptcy or insolvency or for reorganization under any law, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of the creditors.

(2) If involuntary bankruptcy proceedings under any law shall be instituted against Lessee or Guarantor, and such proceedings shall not be dismissed within thirty(30) days after the institution of same.

(3) If Lessee shall fail to pay Lessor any rent, additional rent, or reimbursable sum advanced by Lessor on behalf of Lessee when due by the terms of this lease.

(4) If Lessee shall fail to perform or comply with any of the conditions of this lease and if the nonperformance shall continue for a period of fifteen days after notice thereof by Lessor. Notice to be given in writing by mail or hand delivery, which shall be effective upon mailing, or upon receipt of by hand delivery.

(5) If Lessee shall vacate or abandon the demised premises.

(6) If this lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or entity or party except in the manner herein allowed.

SECTION TWELVE ACCESS TO PREMISES

Lessee shall permit Lessor or his authorized representative, or both, to enter the demised premises at all reasonable times to inspect the premises or make repairs that Lessee may neglect or refuse to make as hereinabove provided. At any time within six months prior to the expiration of this lease, Lessor may enter the premises and post the usual "For Sale" or "For Lease" or "For Rent" signs, so long as they so not interfere with Lessee's use of the premises.

SECTION THIRTEEN QUIET ENJOYMENT

Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from eviction or interference by Lessor, if Lessee pays the rents and other charges provided herein, and otherwise punctually performs the terms and conditions imposed on Lessee hereunder.

SECTION FOURTEEN NONLIABILITY OF LESSOR

Lessee shall be in exclusive control and possession of the demised premises and Lessor shall not be liable for any injury or damages to any person or property on or about the demised premises nor for any injury or damage to any property of Lessee. Lessee hereby releases forever Lessor from any and all claims for damages or injury arising out of Lessee's use or occupancy of the demised premises, and Lessee agrees to indemnify and hold Lessor harmless as to any and all claims of third parties for personal injuries or property damage arising out of Lessee's use or occupancy of the demised premises, even if Lessor or Lessor's servants or agents are actually or allegedly responsible for the injuries or damages.

SECTION FIFTEEN REPRESENTATIONS BY LESSOR

At the commencement of the term of this lease, Lessee shall accept the leased premises in "as is" condition, and Lessee agrees that no representations, statements, or warranties, express or implied, have been made by Lessor in respect thereto.

SECTION SIXTEEN WAIVERS

The failure of Lessor to insist on the strict performance of any of the terms and conditions hereof shall be deemed a waiver of the rights or remedies that Lessor may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

SECTION SEVENTEEN ASSIGNMENT, MORTGAGE, OR SUBLEASE

Neither Lessee nor its successors or assigns shall assign, mortgage, pledge, or encumber this lease or sublet the demised premises in whole or in part, or permit the premises to be occupied or used by others, nor shall this lease be assigned or transferred by operation of law without the prior written consent of Lessor in each instance. If the lease is assigned or transferred, or if all or part of the premises are sublet or occupied by anyone other than Lessee, Lessor may, after default by Lessee, collect rent from the assignee, transferee, subtenant, or other occupant and apply the net amount collected to the rent reserved herein, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of any agreement or condition hereof, or the acceptance of the assignee, transferee, subtenant, or occupant as a new lessee.

Lessee shall continue to be liable hereunder in all respects unless specifically released in writing for a separately stated and paid consideration.

**SECTION EIGHTEEN
TOTAL AGREEMENT; APPLICABLE TO SUCCESSORS**

This lease contains the entire agreement between the parties and cannot be changed or terminated except by separate, subsequent written agreement between the parties. This lease and all the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

**SECTION NINETEEN
APPLICABLE LAW**

This agreement shall be governed by the laws of the State of Alabama.

**SECTION TWENTY
TIME OF THE ESSENCE**

Time is of the essence in all provisions of this lease.

Virginia A. Bragg
LESSOR

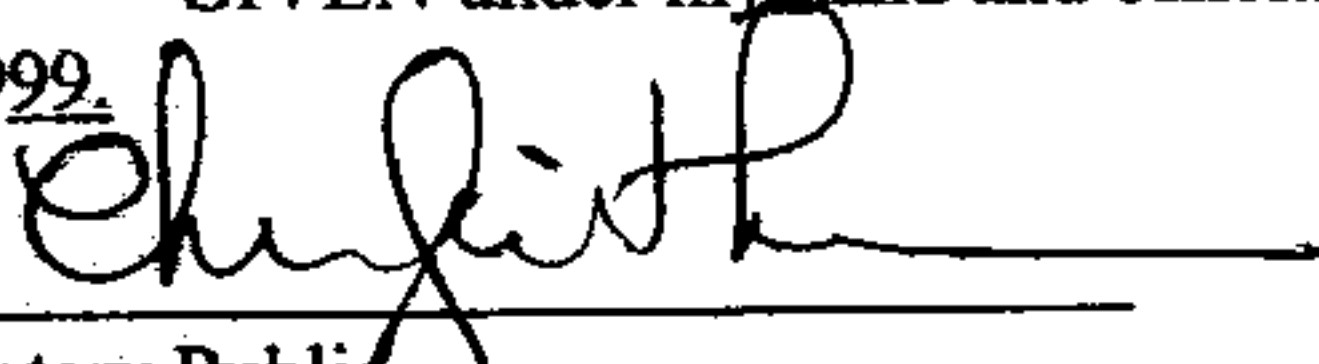
Timothy E. Bragg
LESSOR

CENTRAL INDUSTRIAL Supply, Inc.
LESSEE
Jim Bragg, President

STATE OF ALABAMA)
)
SHELBY COUNTY) ss:

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Timothy E. Bragg and Virginia A. Bragg, whose name is signed to the foregoing Lease, and who is known to me, acknowledged before me on this day that, being informed of the contents thereof, he/she executed the same voluntarily on the date the same bears date.

GIVEN under my hand and official seal of office on this the 8th day of November, 1999.

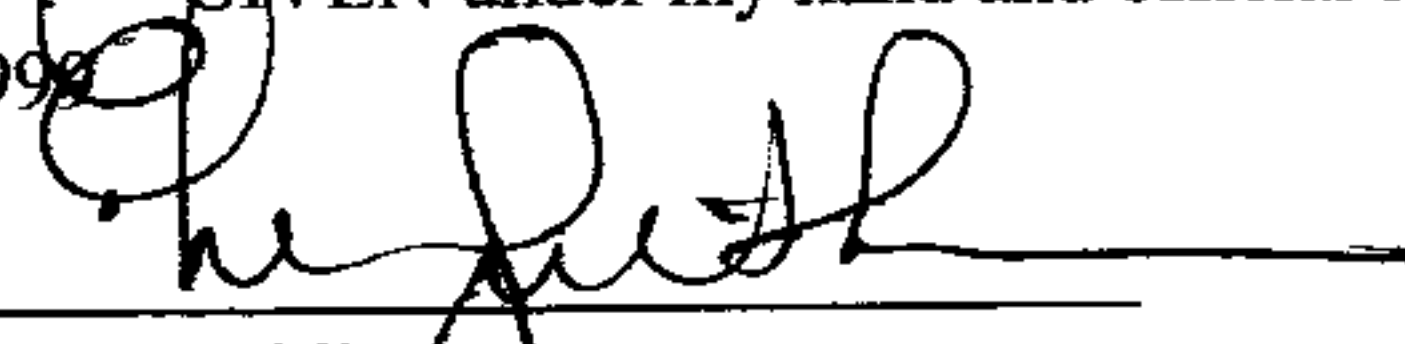


Notary Public
My Commission Expires: 5/13/2000

STATE OF ALABAMA)
)
SHELBY COUNTY) ss:

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Timothy E. Bragg and Virginia A. Bragg, as authorized agents for CENTRAL INDUSTRIAL SUPPLY, INC. whose name are signed to the foregoing Lease, and who are known to me, acknowledged before me on this day that, being informed of the contents thereof, they executed the same voluntarily on the date the same bears date.

GIVEN under my hand and official seal of office on this the 8th day of November, 1999.



Notary Public
My Commission Expires: 5/13/2000

EXHIBIT "I"

Lots 7 and 8 and an adjoining 20 foot strip off the rear of Lots 19 and 20, according to Givhan's Subdivision of a portion of the NE 1/4 of the SE 1/4 of the SE 1/4, Section 4, Township 24 North, Range 12 East, according to map recorded in Map Book 3, Page 140 in Probate Office of Shelby County, Alabama.

Inst # 1999-48852

**12/02/1999-48852
03:37 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
011 NMS 33.50**