

GENERAL PARTNERSHIP AGREEMENT

This Agreement made as of the 28th day of December, 1999, by and between L. D. Webb and Kenneth E. Peters, who are residents of the State of Alabama.

SECTION 1 - FORMATION AND NAME OF PARTNERSHIP

The parties hereby form a partnership under the name of "WAP Realty," or such other name as the partnership shall hereafter designate in writing. The principal office of the business shall be located in Pelham, Shelby County, Alabama, and except as modified herein, the rights and duties of the partners shall be as provided in the Alabama Partnership Act, Code of Alabama 1975 Section 10-8-1 et seq.

SECTION 2 - TERM

The partnership shall begin on December 29, 1999, and shall continue until terminated as herein provided.

SECTION 3 - BUSINESS OF THE PARTNERSHIP

The business of the partnership is to buy, sell, mortgage and grant a security interest in, exchange, let, hold for investment or otherwise, use, improve and operate property, whether real, personal or mixed, and any right or interest therein, and to engage in any and all activities related or incidental thereto.

SECTION 4 - PARTNERS AND PARTNERSHIP PERCENTAGES

4.1. Partners. The names and addresses of the partners are:

L. D. Webb
#12 Walls Road
Remlap, Alabama 35133

Kenneth E. Peters
4614 Burning Tree Lane
Pelham, Alabama 35124

The term "partners" also includes any person admitted as a substitute partner as provided hereinafter in this Agreement; and, with respect to those provisions of this Agreement concerning a partner's right to receive a share of profits or other compensation by way of income or the return of a partner's contribution, any assignee of a partner's interest; except that an assignee who does not become a substituted partner shall have only those

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rights specified in the Code of Alabama 1975 Section 10-8-41, as amended from time to time, or any similar provision of succeeding law.

4.2. Partnership Percentage. The partners' partnership percentages are as follows:

<u>Name</u>	<u>Percentage</u>
L. D. Webb	66 2/3%
Kenneth E. Peters	33 1/3%

Distributions or allocations made in proportion to or in accordance with the partnership percentages of the partners shall be based upon the relative partnership percentages as of the record date for distributions and in accordance with Section 706(c) and (d) of the Internal Revenue Code for allocations.

4.3. Partners' Interest. A partner's interest is the entire ownership interest of the partner in the partnership.

SECTION 5 - CAPITAL AND CONTRIBUTIONS

5.1. Capital Contributions. A partner's capital contribution is the amount of money or the agreed value of other property contributed to the partnership by the partner.

5.2. Capital Account. A capital account has been established on the books and records of the partnership for each partner. Each partner's capital account shall be:

(a) increased by the amount of

(i) taxable income allocated to the partner, other than taxable income attributable to the difference between the agreed value and adjusted basis of the property at contribution; and

(ii) any money and the agreed value of property (net of any liabilities assumed or to which the property is subject) subsequently contributed to the partnership; and

(b) decreased by the amount of

(i) tax losses allocated to the partner, except

(A) tax losses attributable to depreciation of contributed property, which shall decrease capital accounts only to the extent of depreciation computed as if the property were purchased by the partnership at its agreed value; and

(B) tax losses attributable to the difference between the agreed value and adjusted basis of property at contribution (which shall not decrease the contributing partner's capital account); and

(ii) all cash and the agreed value of property (net of liabilities assumed or to which the property is subject) distributed to such partner, and shall otherwise be kept in accordance with applicable treasury regulations.

"Taxable income" and "tax losses," respectively, mean the net income or net losses of the partnership as determined for federal income tax purposes, and all items required to be separately stated by Section 702 of the Internal Revenue Code.

5.3. Partners' Assessments. In addition to previous capital contributions, each partner shall be obligated to make additional capital contributions, as called for by the partners holding two-thirds (2/3) of the partnership interests, as determined by their partnership percentages. All additional capital contributions shall be made in accordance with the partnership percentages and within 30 days after the partners have received notice thereof. The partners shall call these assessments based upon their estimate of all costs, expenses, or charges with respect to operation of the partnership, less the expected revenues from such operations. Any increases in the capital contributions of the partners pursuant to this Section shall be noted on an attachment to this Agreement, which shall thereafter be deemed to be incorporated by reference.

5.4. Default in Payment of Capital Contributions. If any Partner fails to pay all or any portion of an additional assessment called pursuant to the preceding Section (an "assessment payment") within 60 days after notification of the assessment, the remaining partners shall advance an additional amount to the partnership equal to the unpaid assessment payment (and as between them in accordance with their respective partnership percentages), which amount shall be deemed a loan to the defaulting partner and a subsequent capital contribution to the partnership. Thereafter, the partnership shall withhold any distributions to which the defaulting partner would otherwise be entitled and pay that amount to the other partners in accordance with their respective partnership percentages, until the entire assessment payment, plus interest computed at a rate equal to the prime or base commercial rate of interest in effect at AmSouth Bank of Alabama, Birmingham, Alabama, adjusted from time to time as such rate shall be adjusted by AmSouth Bank of Alabama, shall have been repaid in full.

5.5. Interest on Capital Contributions. No partner shall be paid interest on any capital contribution.

5.6. Withdrawal and Return of Capital Contributions. No partner shall be entitled to withdraw any part of his capital contribution, or to receive any distributions from the partnership except as provided by this Agreement.

5.7. Loans by Partners. The partners may loan or advance to the partnership such funds as they deem advisable.

SECTION 6 - DISTRIBUTIONS

6.1. Distributions as Between Partners. Net cash flow shall be distributed among the partners in accordance with their respective partnership percentages. The term "net cash flow" with respect to any fiscal period means all cash revenues of the partnership during that period (including interest or other earnings on the funds of the partnership), less the sum of the following to the extent made from those cash revenues:

(a) all principal and interest payments on any indebtedness of the partnership;

(b) all cash expenses incurred incident to the operations of the partnership's business; and

(c) funds set aside as reserves for contingencies, working capital, debt service, taxes, insurance, or other costs or expenses incident to the conduct of the partnership's business, which the partners deem reasonably necessary or appropriate.

6.2. Timing of Distributions and Discretion of Partners as to Reinvestment. Partnership distributions, if any, will be made to those persons recognized on the books of the partnership as partners or as assignees of interests on the day of the distribution. To the extent permitted by law and as permitted by any loan agreements entered into by the partnership, the partnership's new cash flow may in whole or in part be reinvested in the partnership's business or distributed to the partners, as the partners determine.

SECTION 7 - ALLOCATION OF PROFITS AND LOSSES FOR TAX PURPOSES

The taxable income and tax losses to be allocated among the partners shall be allocated among them in accordance with their respective partnership percentages.

SECTION 8 - BOOKS OF ACCOUNT, RECORDS AND REPORTS

8.1. Responsibility for Books and Records. Proper and complete records and books of account shall be kept by the partnership in which shall be entered fully and

accurately all transactions and other matters relative to the partnership's business as are usually entered into records and books of account maintained by persons engaged in businesses of a like character, including a capital account for each partner. The partnership books and records shall be prepared in accordance with generally accepted accounting practices, consistently applied, and shall be kept on the cash basis except in circumstances in which the partnership determines that another basis of accounting will be in the best interests of the partnership. The books and records shall at all times be maintained at the principal place of business of the partnership and shall be open to the inspection and examination of the partners or their duly authorized representatives during reasonable business hours.

8.2. Reports to Partners. As soon as practicable in the particular case, the partnership shall deliver to the partners:

(a) such information concerning the partnership after the end of each fiscal year as shall be necessary for the preparation by such partner of his income or other tax returns;

(b) an unaudited statement setting forth, as of the end of and for each fiscal year, a profit and loss statement and a balance sheet of the partnership and a statement showing the amounts allocated to or against each interest during that year; and

(c) other information as in the judgment of the partners shall be reasonably necessary for the other partners to be advised of the results of operations of the partnership.

8.3. Additional Reports. The partnership may prepare and deliver to the partners from time to time during each fiscal year, in connection with distributions or otherwise, unaudited statements showing the results of operations of the partnership to the date of that statement.

SECTION 9 - FISCAL YEAR

The fiscal year of the partnership shall end on the thirty-first day of December in each year.

SECTION 10 - PARTNERSHIP FUNDS

The funds of the partnership shall be deposited in such bank account or accounts, or invested in such interest-bearing or non-interest-bearing investments, as shall be designated by the partnership. All withdrawals from any such bank accounts shall be made by the duly authorized agent or agents of the partnership. Partnership funds shall be held in the name of the partnership and shall not be commingled with those of any other person.

SECTION 11 - TRANSFER OF INTERESTS

11.1. Limitation on Transfer of Interests. A partner may not sell, assign, dispose of, pledge or otherwise transfer all or a portion of its interest unless the other partner consents, in writing, to such transfer, which consent may be withheld in his absolute discretion. If such consent is obtained, the transferee shall be admitted to the partnership as a substituted partner.

11.2. Other Transfers. On the death, withdrawal or expulsion of a partner, such partner, his successor or his estate, shall sell to the remaining partner, and the remaining partner shall purchase, the partnership interest of the deceased, withdrawing or terminated partner. The remaining partner shall pay to the person legally entitled thereto, as the full purchase price for his interest, an amount equal to the agreement price for partnership interest as set forth in Section 11.3 below.

11.3. Agreement Price for Partnership Interest. The agreement price for a partner's partnership interest shall be an amount equal to the capital account of the partner as of the date of purchase or an amount agreed upon by the parties. Notwithstanding, said capital account shall be increased or decreased, as the case may be, by a proportionate share of the difference between the book value of any real property owned by the partnership and the fair market value of such real property determined as hereinafter provided. Said fair market value shall be equal to the average of two (2) appraisals, one being an appraisal made by an appraiser selected by the selling partner and the other being an appraisal made by an appraiser selected by the purchasing partner. Each appraiser shall be a Member, Appraisal Institute, and the reasonable costs of the appraisals shall be paid by the partnership. Within thirty (30) days after receipt of both appraisals, the purchasing partner may revoke his exercise of this option by giving written notice to the selling partner.

11.4. Agreement Terms. The agreement terms for the purchase of a partnership interest pursuant to this section is that the agreement price shall be paid by the purchasing partner or the partnership shall be payable in cash within ninety (90) days of the event triggering the purchase.

SECTION 12 - MANAGEMENT AND ADMINISTRATION OF BUSINESS

12.1. Management. Except as otherwise provided herein, the partners shall have equal rights in the management of the partnership business.

12.2. Limitations of Partners' Powers. No Partner shall, without the consent of the partners holding two-thirds (2/3) of the partnership interests, as determined by their partnership percentages:

- (a) borrow money in the partnership name, whether or not for partnership purposes, or utilize collateral owned by the partnership as security for such loans;

(b) assign, transfer, pledge, compromise or release any of the claims of or debts due the partnership except upon payment in full, or arbitrate or consent to the arbitration of any of the disputes or controversies of the partnership; or

(c) make, execute or deliver any assignment for the benefit of creditors or any bond, confession of judgment, chattel mortgage, deed, guarantee indemnity bond, surety bond, or contract to sell or contract of sale of all or substantially all the property of the partnership.

12.3. Other Activities and Competition. The partners shall not be required to manage the partnership as their sole and exclusive functions. The partners may have other business interests and may engage in other activities in addition to and in competition with those relating to the partnership. Neither the partnership nor any partner shall have any right by virtue of this Agreement, or the partnership relationship created hereby, in or to such other ventures or activities or any partner or to the income or proceeds derived therefrom.

12.4. Liability. No partner shall be liable, responsible, or accountable in damages or otherwise to the partnership or any partner for any action taken or failure to act on behalf of the partnership within the scope of the authority conferred on any partner by this Agreement or by law unless the act or omission was performed or omitted fraudulently or in bad faith or constituted negligence.

12.5. Indemnification. The partnership shall indemnify and hold harmless the partners from and against any loss, expense, damage or injury suffered or sustained by them by reason of any acts, omissions or alleged acts or omissions arising out of their activities on behalf of the partnership or in furtherance of the interests of the partnership, including but not limited to, any judgment, award, settlement, reasonable attorneys' fees, and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim, if the acts, omissions or alleged acts or omissions upon which the actual or threatened action, proceeding, or claims are based were for a purpose reasonably believed to be in the best interests of the partnership and were not performed or omitted fraudulently or in bad faith or as a result of negligence by a partner and were not in violation of the partner's fiduciary obligation to the partnership. Any such indemnification shall be first from the assets of the partnership, and then from all partners and borne among them in accordance with their partnership percentages.

SECTION 13 - MEETINGS AND VOTING RIGHTS

13.1. Meetings. Meetings of the partners may be called by partners owning twenty percent (20%) or more of the partnership percentages.

13.2. Conduct of Meetings. At each meeting of partners, the partners present may adopt such rules for the conduct of such meeting as they shall deem appropriate.

13.3. Action by Partners at Meetings. Any action or consent which may be taken or made by the partners under the Agreement may be taken at a meeting by the affirmative vote or written consent of partners holding a majority of the partnership percentages unless otherwise specified herein.

13.4. Action by Partners Without a Meeting. Any matters as to which the partners are authorized to take action or consent under this Agreement, including, without limitation, amending this Agreement as provided herein, may be taken or made by unanimous written consent of the partners without a meeting.

SECTION 14 - WINDING UP, TERMINATION AND LIQUIDATING DISTRIBUTIONS

14.1. Winding Up. If the partnership is dissolved and its business is not continued as herein provided, the partnership shall commence to wind up the affairs of the partnership and to liquidate the partnership's assets. The partners shall continue to share profits and losses during the period of liquidation. Following the occurrence of any of the events set forth in this section, the partners shall determine whether the assets are to be distributed to the partners. If assets are distributed to the partners, all such assets shall be valued at their then fair market value as determined by the partners and the difference, if any, of the fair market value over or under the book value of such property to the partnership shall be credited or charged to the capital accounts of the partners. Such fair market value shall be used for purposes of determining the amount of any distribution to a partner pursuant to the following section. If the partners are unable to agree on the fair market value of any asset of the partnership, the fair market value shall be the average of two appraisals, one prepared by a qualified appraiser selected by partners having fifty percent (50%) or more of the aggregate partnership percentages, and the other selected by the remaining partners.

14.2. Distributions. Subject to the right of the partners to set up such cash reserves as may be deemed reasonably necessary for any contingent or unforeseen liabilities or obligations of the partnership, the proceeds of the liquidation and any other funds of the partnership shall be distributed

(a) to creditors, in the order of priority as provided by law, except those liabilities to partners in their capacities as partners;

(b) to the partners for loans, if any, made by them to the partnership, or reimbursement for partnership expenses paid by them;

(c) to the partners in proportion to their respective capital accounts until they have received an amount equal to their capital accounts immediately prior to such distribution, but after adjustment for gain or loss with respect to the disposition of the partnership's assets incident to the dissolution of the partnership and the winding up of its affairs, whether or not the disposition occurs prior to the dissolution of the partnership; and

- (d) to the partners in accordance with their partnership percentages.

14.3. Deficit Capital Account Restoration. If, upon the dissolution and liquidation of the partnership, after crediting all income upon sale of the partnership's assets that have been sold and after making the allocations provided for herein above, any partner has a negative capital account, then the partner shall be obligated to contribute to the partnership an amount equal to the negative capital account for distribution to creditors or to partners with positive capital account balances, in accordance with this section.

14.4. Final Reports. Within a reasonable time following the completion of the liquidation of the partnership's properties, the partnership shall supply to the partners a statement that shall set forth the assets and liabilities of the partnership as of the date of complete liquidation and each partner's portion of distributions pursuant to this section.

SECTION 15 - DISSOLUTION OF THE PARTNERSHIP

The happening of any one of the following events shall work an immediate dissolution of the partnership:

a) the sale or other disposition of all or substantially all of the assets of the partnership;

(b) the affirmative vote for dissolution of the partnership by partners having at least two-thirds (2/3) of the aggregate partnership percentages; or

(c) the bankruptcy or incapacity of any partner; provided that the remaining partners shall continue the business of the partnership within the meaning of the Alabama Partnership Act unless the partnership is dissolved under subparagraph (b) above.

SECTION 16 - MISCELLANEOUS

16.1. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Alabama.

16.2. Notices. All notices and demands required or permitted under this Agreement shall be in writing and may be hand delivered or sent by certified or registered mail or similar delivery service, postage prepaid, to the partners as their addresses are shown from time to time on the records of the partnership, and shall be deemed given when hand delivered or when mailed or delivered to such service. Any partner may specify a different address by notifying the partnership in writing of the different address.

16.3. Benefit. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors, successors and assigns.

16.4. Pronouns and Number. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

16.5. Internal Revenue Code. References to the Internal Revenue Code means the Internal Revenue Code of 1986, as amended, modified or rescinded from time to time, or any similar provision of succeeding law, and the provisions of the Treasury Regulations thereunder.

16.6. Severability. If any provision of this Agreement, or the application of the provision to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of that provision to persons or circumstances other than those with respect to which it is held invalid, shall not be affected thereby.

16.7. Date of Agreement. The date of this Agreement is intended as a date for convenient identification of this Agreement and is not intended to indicate that this Agreement was executed and delivered on this date.

16.8. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. This Agreement may contain more than one counterpart of the signature page and may be executed by the affixing of the signatures of each of the partners to one of these counterpart signature pages. All the counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

IN WITNESS WHEREOF, the undersigned partners have executed this Agreement effective as of the date of this Agreement herein above first written.


L. D. Webb


Kenneth E. Peters

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