

LOAN MODIFICATION AGREEMENT

STATE OF ALABAMA )  
JEFFERSON COUNTY)

This Agreement is by and between Union State Bank ("Bank") and Howard Electric Co., Inc. and Howard Kitchings, a married man (Borrower).

WHEREAS, Borrower is indebted to Bank on a ("Loan"), as evidenced by a Promissary Note and Mortgage, dated October 17, 1996; said mortgage recorded in Inst. #9612/5531, in the Probate Office of Jefferson County, Alabama & in Real 720, page 0012, in the Probate Office of Baldwin County, Alabama and in Inst. #1996-35460, in the Probate Office of Shelby County, Alabama.

WHEREAS, Borrower and Bank desire to modify the terms of said loan as set forth herein. NOW, THEREFORE, for and in consideration of the premises, Borrower and Bank agree that the terms of the Loan are modified as follows:

The balance of \$170,572.52 shall be paid as follows:  
10% interest with the first payment being due 1/15/2000 for 60 months, all according to that certain note executed simultaneously herewith. Said note being dated 12/14/99. The balance of this indebtedness shall be due and payable in full on or before 12/15/2004. All terms, conditions and collateral of the note herein referenced shall be made a part of this modification agreement and control the repayment terms thereof.

Except as modified herein, all of the terms and conditions of the Loan, the Note, and Mortgage and of any and all other instruments executed in connection with said Loan shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed effective the 14<sup>th</sup> day of December, 1999.

UNION STATE BANK

By: M. Richard Joiner  
M. Richard Joiner, Vice President

HOWARD ELECTRIC COMPANY, INC.

By: Howard Kitchings Pres.  
Howard Kitchings, President

Howard Kitchings  
Howard Kitchings, Individually

STATE OF ALABAMA  
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County and in said State, hereby certify that Howard Kitchings, a married man, whose name is signed to the foregoing conveyance, is known to me, acknowledged before me, that being informed of the contents of the conveyance, he executed the same voluntarily on the day the same bears date.

Witness my hand and official seal this 14<sup>th</sup> day of December, 1999.

[Signature]  
NOTARY PUBLIC

02/04/2000-03573  
09:24 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
003 MMS 14.50

Inst. # 2000-03573

530250



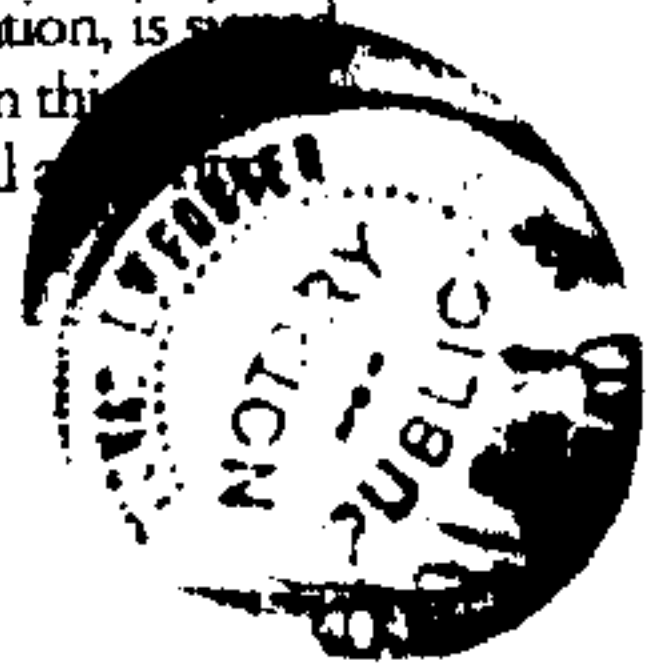
State of Alabama, Probate Office  
County of Jefferson  
Notary Public Seal  
1.00

STATE OF ALABAMA  
JEFFERSON COUNTY

I, the undersigned, a notary public in and for said county and in said State, hereby certify that M. Richard Joiner, whose name as Vice-President of Union State Bank, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that being informed of the contents of the conveyance, 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 14<sup>th</sup> day of December, 1999.


  
NOTARY PUBLIC

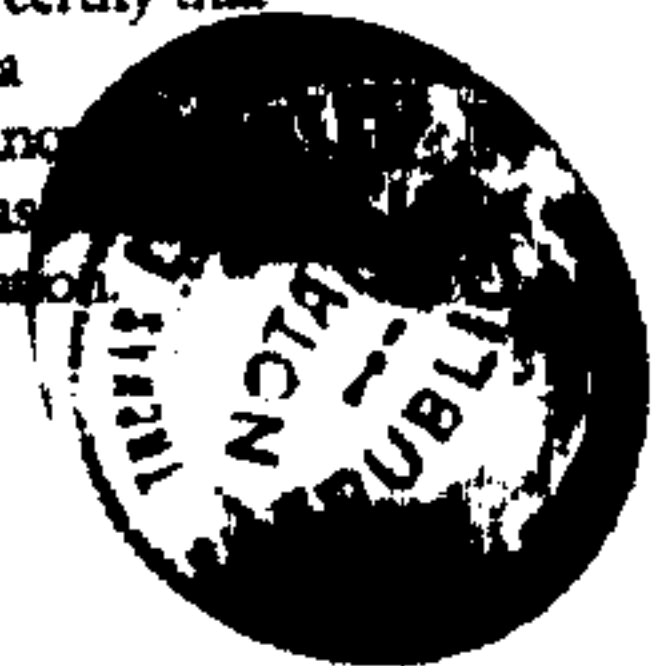


STATE OF ALABAMA  
JEFFERSON COUNTY

I, the undersigned a notary public in and for said County and in said State, hereby certify that Howard Kitchings, whose name as President of Howard Electric Company, Inc., a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that being informed of the contents of the conveyance, he, as such officer and with authority executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 14<sup>th</sup> day of December, 1999.

  
NOTARY PUBLIC



STATE OF ALABAMA )

JEFFERSON COUNTY )

Before me, the undersigned, a Notary Public in and for said county and state, personally appeared M. Richard Joiner, who being by me first duly sworn deposes and says as follows:

My name is M. Richard Joiner and I am over 19 years of age and a resident of Jefferson County, Alabama. I am the Vice President of Union State Bank in Hoover, Alabama. It is my intention to file a loan modification agreement attached herewith as Exhibit "A". This affidavit is made to acknowledge the value assigned to each of these obligations. Each value is given as follows:

Baldwin County \$50,000.00; Shelby County \$20,572.52;  
Jefferson County \$100,000.00

I verify the foregoing facts to be true and correct to the best of my knowledge.

Further affiant saith not.

  
M. Richard Joiner

Sworn to and subscribed before me this the 19th day of January, 2000.

  
Notary Public



Inst # 2000-03573

02/04/2000-03573  
09:24 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
003 HHS 14.50

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