

MORTGAGE AND SECURITY AGREEMENT: OPEN-END CREDIT WITH FUTURE ADVANCES

Mortgagor (last name first):

Mortgagee:

WESLEY L. BOWDEN JR AND NORA BOWDENFrontier National BankP.O. BOX 148

Mailing Address

Main Office

P.O. Box 630

Mailing Address

Sylvauga AL
City State ZipSylvauga AL 35150
City State Zip

This instrument is also a financing statement filed as a future filing pursuant to Ala. Code 7-9-402(6), and should be indexed in the index of financing statements under the names of Mortgagor, as debtor, and Mortgagee, as secured party.

STATE OF ALABAMA

COUNTY OF ~~MOBILE~~ Shelby

THIS MORTGAGE AND SECURITY AGREEMENT (herein referred to as the "Mortgage") is made and entered into this day by and between Mortgagor and Mortgagee.

KNOW ALL MEN BY THESE PRESENTS: THAT WHEREAS WESLEY L. BOWDEN JR AND NORA BOWDEN (herein referred to as "Mortgagor" whether one or more) has become indebted to Mortgagee pursuant to a line of credit for an initial advance of Eight Hundred Fifty Thousand and 00/100 (\$ 850,000.00) Dollars, and for all future advances, provided, however, that the maximum indebtedness at any one time shall not exceed (\$) Dollars, which said future advances Mortgagee is obligated to make pursuant to the terms and conditions of that certain Agreement ("Agreement"), contemporaneously entered into by and between Mortgagor and Mortgagee, the terms and conditions of which are hereby incorporated by reference.

NOW THEREFORE, in consideration of the premises and in order (i) to secure the payment to Mortgagee of all indebtedness incurred pursuant to the Agreement by Mortgagor and/or anyone else who has the right to obtain an advance under the Agreement, including, without limitation, the said initial advance and any and all future advances made by Mortgagee pursuant to said Agreement, including any renewals or extensions of same, (ii) to secure the payment of all other indebtedness, now or hereafter owed by Mortgagor to Mortgagee not incurred pursuant to said Agreement, except that Mortgagor's home shall not secure any such other indebtedness incurred for personal, family, or household purposes (the amounts described in sections (i) and (ii) shall hereinafter be referred to collectively as "indebtedness"), and (iii) to secure compliance with all of the stipulations contained in said Agreement and contained herein, the said Mortgagor does hereby grant, bargain, sell and convey unto Mortgagee all of Mortgagor's right, title, and interest in and to the real property described below situated in the County of ~~MOBILE~~ Shelby, State of Alabama

SEE ATTACHED EXHIBIT "A"

Inst # 2000-16349

05/18/2000-16349

10:40 AM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE

006 MMS 1294.00

Together with all existing or subsequently erected or affixed buildings, improvements and fixtures, all easements, rights of way and appurtenances, and all water, water rights, watercourses and ditch rights relating to the real property (all being herein referred to as the "Property"). Notwithstanding any provision in this Mortgage or in any other agreement with Mortgagee, Mortgagee shall not have a nonpossessory security interest in, and the Property shall not include, any household goods (as defined in Federal Reserve Board Regulation AA, Subpart B), unless the household goods are identified in a security instrument and are acquired as a result of a purchase money obligation. Such household goods shall only secure said purchase money obligation (including any renewal or refinancing thereof).

TO HAVE AND TO HOLD the same and every part thereof unto Mortgagee, its successors and assigns forever

If Mortgagor shall pay all indebtedness promptly when due and shall perform all covenants made by Mortgagor, and shall submit a written request to satisfy this mortgage from the Mortgagors and all other persons who have the right to obtain an advance under the Agreement, then this Mortgage shall be void and of no effect. If Mortgagor shall be in default as provided in Paragraph 12, then, in that event, the entire indebtedness, together with all interest accrued thereon, shall, at the option of Mortgagee, be and become at once due and payable without notice to Mortgagor, and Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

(a) Mortgagee shall have all rights and remedies of a secured party under the Uniform Commercial Code to the extent any of the Property constitutes fixtures or other personal property.

(b) Mortgagee shall have the right, without notice to Mortgagor, to take possession of the Property and collect all rents as provided in Paragraph 9 and apply the net proceeds, over and above Mortgagee's costs, against the indebtedness. In furtherance of this right, Mortgagee may require any tenant or other user of the Property to make payments of rent or use fees directly to Mortgagee. If the rents are collected by Mortgagee, then Mortgagor irrevocably designates Mortgagee as Mortgagor's attorney-in-fact to endorse instruments received in payment thereof in the name of Mortgagor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Mortgagee in response to Mortgagee's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Mortgagee may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

(c) Mortgagee shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Mortgagee's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness to a substantial amount. Employment by Mortgagee shall not disqualify a person from serving as a receiver.

(d) Mortgagee shall have the right to obtain a judicial decree foreclosing Mortgagor's interest on the Property.

(e) Mortgagee shall be authorized to take possession of the Property, and, with or without taking such possession, after giving notice of the time, place and terms of sale, together with a description of the Property to be sold, by publication once a week (or three (3) successive weeks in some newspaper published in the county or counties in which the Property to be sold is located, to sell the Property (or such part or parts thereof as Mortgagee may from time to time elect to sell) in front of the front or main door of the courthouse of the county or division of the county in which the Property to be sold, or a substantial and material part thereof, is located, at public outcry, to the highest bidder for cash. If the Property to be sold under this Mortgage is located in more than one county, publication shall be made in all counties where the Property to be sold is located. If no newspaper is published in any county in which any Property to be sold is located, the notice shall be published in a newspaper published in an adjoining county for three (3) successive weeks. The sale shall be held between the hours of 11:00 a.m. and 4:00 p.m. on the day designated for the exercise of the power of sale under this Mortgage. Mortgagee may bid at any sale had under the terms of this Mortgage and may purchase the Property if the highest bidder therefor. Mortgagor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, Mortgagee shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales.

(c) If Mortgage remains in possession of the Property after the Property is sold as provided above or Mortgagee otherwise becomes entitled to possession of the Property upon default of Mortgage, Mortgage shall become a tenant at sufferance of Mortgagee or the purchaser of the Property and shall, at Mortgagee's option, either (a) pay a reasonable rental for the use of the Property, or (b) vacate the Property immediately upon the demand of Mortgagee.

19. If Mortgagee institutes any suit or action to enforce any of the terms of this Mortgage, Mortgagee shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Mortgagee that in the Mortgagee's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for the primary indebtedness. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Mortgagor also will pay any court costs, in addition to all other sums provided by law. If this Mortgage is subject to Section 5-19-10, Code of Alabama 1975, as amended, any attorneys' fees provided for in this Mortgage shall not exceed 15% of the unpaid indebtedness after default and referral to an attorney who is not a salaried employee of the Mortgagee.

20. This Mortgage, together with any related documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendments.

21. This Mortgage has been delivered to Mortgagee and accepted by Mortgagee in the State of Alabama. Subject to the provisions on arbitration, this Mortgage shall be governed by and construed in accordance with the laws of the State of Alabama.

22. Mortgagor hereby releases all rights and benefits of the homestead exemption laws of the State of Alabama as to the Property

23. Time is of the essence in the performance of this Mortgage.

24. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage on the 1st day of May, 2000

This instrument prepared by:

Frontier National Bank Main Office

P.O. Box 630

Sylacauga, AL 36150

MORTGAGOR:

(Individual) BOWDEN, WESLEY L

(Individual) BOWDEN, NORA

(Corporate or Other)

By _____
Mark Payne

Its _____
Executive Vice President

Subdivision		Lot	Plat Book	Page
QQ	Q	S	T	R

SOURCE OF TITLE	
BOOK	PAGE

CERTIFICATE

State of Alabama
Shelby County

In compliance with Ala. Code § 40-22-2 (1975), the owner of this Mortgage hereby certifies that the amount of indebtedness presently incurred is _____ upon which the mortgage tax is paid herewith, and owner agrees that no additional or subsequent advances will be made under this Mortgage unless the Mortgage tax on such advances is paid into the appropriate Judge of Probate office no later than each September hereafter or a document evidencing such advances is filed for record in the above said office and the recording fee and tax applicable thereto paid.

Mortgagor: _____
Date, Time and Volume and
Page of recording as shown hereon.

Mortgagee: Frontier National Bank Main Office

By _____
Mark Payne

Title: Executive Vice President

13. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Mortgagee shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time. Upon request by Mortgagee, Mortgagor shall execute financing statements and take whatever other action is requested by Mortgagee to perfect and continue Mortgagee's security interest in that part of the Property that constitutes personal property. In addition to recording this Mortgage in the real property records, Mortgagee may, at any time and without further authorization from Mortgagor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Mortgagor shall reimburse Mortgagee for all expenses incurred in perfecting or continuing the security interest. Upon default, Mortgagor shall assemble that part of the Property that constitutes personal property in a manner and at a place reasonably convenient to Mortgagee and Mortgagee and make it available to Mortgagee within three (3) days after receipt of written demand from Mortgagee. Notice of the time and place of any public sale or of the time after which any private sale or other intended disposition is to be made shall be deemed reasonable if given at least 10 days before the time of the sale or disposition. The mailing addresses of Mortgagor and Mortgagee, from which information concerning the security interest granted herein may be obtained, each as required by the Uniform Commercial Code, are as stated on the first page of this Mortgage.

14. At any time, and from time to time, upon request of Mortgagee, Mortgagor will make, execute and deliver, or cause to be made, executed and delivered, to Mortgagee or to Mortgagee's designee, and when requested by Mortgagee, caused to be filed, recorded, indexed, or recorded, as the case may be, at such times and in such offices and places as Mortgagee may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the sole opinion of Mortgagee, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve any obligations of Mortgagor under this Mortgage or the instruments evidencing the indebtedness, and b. the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Mortgagor. Unless prohibited by law, or agreed to the contrary by Mortgagee in writing, Mortgagor shall reimburse Mortgagee for all costs and expenses incurred in connection with the matters referred to in this paragraph. If Mortgagor fails to do any of the things referred to in this paragraph, Mortgagee may do so for and in the name of Mortgagor and at Mortgagee's expense. For such purposes, Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable in Mortgagee's sole opinion, to accomplish the matters referred to herein.

15. Mortgagor shall notify Mortgagee at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Mortgagor will upon request of Mortgagee furnish to Mortgagee advance assurances satisfactory to Mortgagee that Mortgagor can and will pay the cost of such improvements. Any statement or claim of lien filed under applicable law shall be satisfied by Mortgagor or bonded to the satisfaction of Mortgagee within 14 days after filing.

16. Each privilege, option or remedy provided in this Mortgage to Mortgagee is distinct from every other privilege, option or remedy contained herein or in any related document, or afforded by law or equity, and may be exercised independently, concurrently, cumulatively, or successively by Mortgagee or by any other owner or holder of the indebtedness. Mortgagee shall not be deemed to have waived any rights under this Mortgage (or under the related documents) unless such waiver is in writing and signed by Mortgagee. No delay or omission on the part of the Mortgagee in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Mortgagee, nor any course of dealing between Mortgagor and Mortgagee, shall constitute a waiver of any of Mortgagee's rights or any of Mortgagor's obligations as to any future transactions. Whenever consent by Mortgagee is required in this Mortgage, the granting of such consent by Mortgagee in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

17. The words "Mortgagor" or "Mortgagee" shall each embrace one individual, two or more individuals, a corporation, a partnership, an unincorporated association or other legal entity, depending on the intent herein of the parties to this Mortgage. The documents hereunder shall bind, and the benefits herein provided shall inure to, the respective legal or personal representatives, successors or assigns of the parties hereunder subject to the provisions of Paragraph 10. If there be more than one Mortgagor, then Mortgagor's obligation shall be joint and several. Whenever in this Mortgage the context so requires, the singular shall include the plural and the plural the singular. Notices required herein from Mortgagor or Mortgagor shall be sent to the address of Mortgagor shown in this Mortgage.

18. Mortgagor covenants and agrees that the Mortgagor: (a) has not stored and shall not store, except in compliance with all applicable state and local statutes, laws, ordinances, rules, regulations and common law now or hereafter in effect, and all amendments thereto, relating to the protection of the health of living organisms for the environment collectively, "Environmental Requirements"; and has not disposed and shall not dispose of any Hazardous Substances (as hereinafter defined) on the Property; (b) has not transported or arranged for the transportation of and shall not transport or arrange for the transportation of any Hazardous Substances, and (c) has not suffered or permitted, and shall not suffer or permit, any owner, lessee, tenant, invitee, occupant or operator of the Property or any other persons to do any of the foregoing.

Mortgagor covenants and agrees to maintain the Property at all times: (a) free of any Hazardous Substances, except in compliance with all Environmental Requirements; and (b) in compliance with all Environmental Requirements.

Mortgagor agrees promptly: (a) to notify Mortgagee in writing of any change in the nature or extent of Hazardous Substances on, about or beneath the Property, or with respect to the Property; (b) to transmit to Mortgagee copies of any citations, orders, notices or other material governmental communications received with respect to Hazardous Substances upon, about or beneath the Property or the violation or breach of any Environmental Requirements; (c) to observe and comply with any and all Environmental Requirements relating to the use, maintenance and disposal of Hazardous Substances; (d) to pay, perform or otherwise satisfy any fine, charge, penalty, fee, damage, or other judgment, decree or imposition related thereto which, if unpaid, would constitute a lien on the Property, unless: (i) the validity thereof shall have been diligently and in good faith by appropriate proceedings and with counsel reasonably satisfactory to Mortgagee and (ii) a principal Mortgagee or any other owner, lessee, tenant, invitee, occupant or operator of the Property, or any other persons, has deposited with Mortgagee, or posted a bond satisfactory to Mortgagee in a sum equal to the amount necessary to the reasonable payment of Mortgagor, to comply with such order or directive including, but not limited to, the amount of any fine, penalty, interest or costs that may be levied thereon by reason of or during such contest; provided, however, that payment in full with respect to such fine, charge, penalty, fee, damage, or other judgment, decree or imposition shall be made not less than twenty (20) days before the first date upon which the Property, or any part thereof, may be seized and sold in satisfaction thereof; and (e) to take all appropriate response actions, including any removal or remedial action, necessary in order for the Property to be or remain in compliance with all Environmental Requirements. In the event of a release, gross negligence, or disposal of any Hazardous Substances on, on, under or from the Property, (i) upon the request of Mortgagee, to permit Mortgagee and its agents, employees, contractors and representatives, to enter and inspect the Property for purposes of conducting an environmental assessment; (ii) upon the request of Mortgagee, and at the Mortgagor's expense, to cause to be prepared for the Property such site assessment reports, including, without limitation, engineering studies, historical reviews and testing, as may be reasonably requested from time to time by the Mortgagee.

In addition to all other indemnifications contained herein, Mortgagor agrees to indemnify, defend and reimburse and agree to hold Mortgagee, and its officers, directors, agents, shareholders, employees, contractors, representatives, successors and assigns, harmless from and against any and all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, fees, costs and expenses of investigation and defense of any claim, of whatever kind or nature, including, without limitation, reasonable attorneys' fees and consultants' fees, arising from the presence of Hazardous Substances upon, about or beneath the Property or migrating to or from the Property or arising in any manner whatsoever out of the violation of any Environmental Requirements pertaining to the Property and the activities thereon, or arising from the breach of any covenant or representation of Mortgagor contained in this Mortgage. The Mortgagor's obligations under this paragraph shall survive any release, settlement of the Property or repayment or extinguishment of the indebtedness.

The provisions of this Mortgage are in addition to and supplement any other representations, warranties, covenants and other provisions contained in any other loan documents that Mortgagor has executed for the benefit of Mortgagee.

For purposes of this Mortgage, "Hazardous Substances" shall mean any substance:

- (a) The presence of which requires investigation, removal, remediation or any form of clean up under any federal, state or local statute, regulation, ordinance, order, action, policy or common law now or hereafter in effect, or any amendments thereto; or
- (b) Which is or becomes defined as a "hazardous waste", "hazardous substance", "pollutant" or "contaminant" under any federal, state or local statute, regulation, rule or ordinance or amendments thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. § 8901 et seq.); or
- (c) Which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous as regulated presently or in the future by any governmental authority, agency, department, commission, board, agent, or instrumentality of the United States, the state where the Property is located or any political subdivision thereof; or
- (d) The presence of which on the Property causes or threatens to cause a nuisance upon the Property, or to adjacent properties, or poses or threatens to pose a hazard to the health or safety of persons on or about the Property; or
- (e) The presence of which on adjacent properties could constitute a trespass by the Mortgagor; or
- (f) Which contains, without limitation, gasoline, diesel fuel or the constituents thereof, or other petroleum products, kerosene, or
- (g) Which contains, without limitation, polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde, and insulation; or
- (h) Which contains, without limitation, radon gas; or
- (i) Which contains, without limitation, radioactive materials or isotopes.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Tallapoosa Shelby

I, Janet P. Kromer, a Notary Public in and for said County, in said State, hereby certify that Wesley L. Bowden Jr. whose name 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, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 1st day of May, 2000

Janet P. Kromer
Notary Public JANET P. KROMER
My Commission expires 06/16/2002

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Shelby

I, JANET P. KROMER, a Notary Public in and for said County, in said State, hereby certify that NORA BOWDEN whose name 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, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 1st day of May, 2000

Janet P. Kromer
Notary Public JANET P. KROMER
My Commission expires 06/16/2002

CORPORATE OR OTHER ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF _____

I, _____, a Notary Public in and for said County, in said State, hereby certify that _____, whose name as _____, 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 said conveyance, _____, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, on the day the same bears date.

Given under my hand and official seal, this _____ day of _____

Notary Public

My Commission expires _____

EXHIBIT A

All debtor's equipment, whether now owned or hereafter acquired, including any and all accessories, attachments, parts and replacements thereto. All debtor's accounts, whether now existing or hereafter arising or acquired, whether or not earned by performance; all chattel paper owned by Debtor arising from conversion of accounts, and all accounts hereafter acquired by Debtor, as well as returned or repossessed goods. All debtor's fixtures of every kind, type or description, whether now owned or hereafter acquired, including returned or repossessed goods, and any chattel paper or accounts arising from the sale or lease of inventory. Fixtures are to be filed of record. This account is in the real estate records of the register's office of Talladega County. These goods are affixed (or will be affixed) to real property more specifically described as NOTE DATED 4/21/2000.

From the true Southwest corner of the Southwest 1/4 of Southeast 1/4 of Section 28, Township 19 South, Range 2 East, run thence East along the true South boundary of said Southwest 1/4 of Southeast 1/4 a distance of 582.97 feet; thence turn 72°06'48" left and run 135.73 feet to a point on the North Boundary of Kymulga Ferry Road, being the Southeast corner of the McDaniel Investment, Inc. lot as described in 1993-32023, being the point of beginning of herein described lot; thence continue along said course and along the East line of the McDaniel Investment, Inc. lot a distance of 265.18 feet to an iron pin on the South boundary of U.S. Highway 280 (120 foot right-of-way); thence turn 99°09' right and run a chord distance of 256.71 feet to a concrete monument on said Highway boundary; thence turn 75°58'30" right and run 133.95 feet along a right-of-way flair-back to a concrete monument on the North boundary of Kymulga Ferry Road; thence turn 78°11'15" right and run 100.10 feet along said road boundary to a concrete monument; thence turn 90°17'50" left and run 10.0 feet to a concrete monument on said road boundary; thence turn 89°58'20" right and run 179.73 feet along said road boundary to the point of beginning herein described lot. Mineral and mining rights excepted.

Inst # 2000-16349

05/18/2000-16349
10:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 MMS 1296.00