

This document prepared by
and after recordation return to:
Robert T. Morgan, Esq.
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Five Concourse Parkway
Suite 2150
Atlanta, GA 30328
File No: 4696-12-414

Inst # 2001-37756
08/31/2001-37756
03:15 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 CH 20.00

RE: Mortgage recorded at Deed
Book 2001, Page 3754 Shelby
County, Alabama records

CROSS-DEFAULT AND CROSS COLLATERALIZATION AGREEMENT

THIS AGREEMENT made and entered into this 30th day of August, 2001, by and among **HARCON, INC.** (hereinafter referred to as "Harcon"), **905 UNION HILL, LLC** (hereinafter referred to as "905 Union") and **HELENA PROPERTIES, LLC** (hereinafter referred to as "Helena") (hereinafter the foregoing collectively referred to as the "Borrowers") and **SOUTHTRUST BANK** (hereinafter referred to as "Bank");

WHEREAS, on August 24, 2001, Bank made a \$1,000,000.00 Line of Credit loan (hereinafter referred to as the "Line of Credit Loan") to Harcon secured by all business assets of Harcon; and

WHEREAS, on even date herewith, Bank has made terms loans to 905 Union in the amount of \$550,000.00 (hereinafter referred to as the "\$550,000.00 Loan") secured by a pledge of real property in Alpharetta, Georgia and to Helena in the amount of \$739,000.00 (hereinafter referred to as the "\$739,000.00 Loan") secured by a pledge of real property in Helena, Alabama; and

WHEREAS, on August 24, 2001, by separate instrument, 905 Union and Helena have guaranteed the Line of Credit Loan and have agreed that the collateral pledged for the \$550,000.00 Loan and \$739,000.00 Loan shall be collateral securing their guarantees of the Line of Credit Loan; and

WHEREAS, on even date herewith, by separate instrument, Harcon has guaranteed the \$550,000.00 Loan and \$739,000.00 and has agreed that the collateral pledged for the Loan Line of Credit Loan shall be collateral securing its guarantee of the \$550,000.00 Loan and the \$739,000.00 Loan; and

WHEREAS, on even date herewith, by separate instrument, 905 Union has guaranteed the \$739,000.00 Loan and has agreed that the collateral pledged for the \$550,000.00 Loan shall be collateral securing its guarantee of the \$739,000.00 Loan; and

WHEREAS, on even date herewith, by separate instrument, Helena has guaranteed the \$550,000.00 Loan and has agreed that the collateral pledged for the \$739,000.00 Loan shall be collateral securing its guarantee of the \$550,000.00 Loan; and

WHEREAS, the Borrowers agree that a default by any one of the Borrowers under any loan with Bank shall constitute a default under all other loans of the Borrowers from Bank and that any collateral securing any loan with Bank shall constitute collateral for all other loans with Bank.

NOW, THEREFORE, in consideration of the loans to 905 Union and Helena of even date herewith and the loan to Harcon on August 24, 2001 and in consideration of other promises from Bank to the Borrowers, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Borrowers agree that any collateral (whether real or personal property) securing any loan by Bank to any of the Borrowers shall constitute collateral for all other loans by Bank to any of the Borrowers.
2. The Borrowers agree with Bank that a default under the terms and conditions (whether a monetary or non-monetary default) of any loan by Bank to any of the Borrowers shall constitute a default *instantly* under all other loans by Bank to the Borrowers.
3. The Borrowers further agree with Bank that upon any such default under any loan by Bank to any of the Borrowers, Bank shall be entitled to proceed under the terms of any relevant loan documents against any and all collateral (real or personal) securing any loan by the Bank to any of the Borrowers, regardless of which loan of any of the Borrowers is in default.
4. The Borrowers further agree that the foregoing cross-default and cross-collateralization provisions shall apply to the Borrowers, notwithstanding the terms and conditions of any existing loan documents with respect to any loan by Bank to any of the Borrowers.
5. The Borrowers further agree that any surplusage resulting from any foreclosure and/or sale of any collateral by Bank may be used by Bank in its sole discretion to apply to the outstanding balance of any other loan of the Borrowers, whether or not such loan is in default by its own terms.

IN WITNESS WHEREOF, the undersigned have executed this Agreement under seal as of the date first above written.

HARCON, INC.

By: Michael A. Harcon

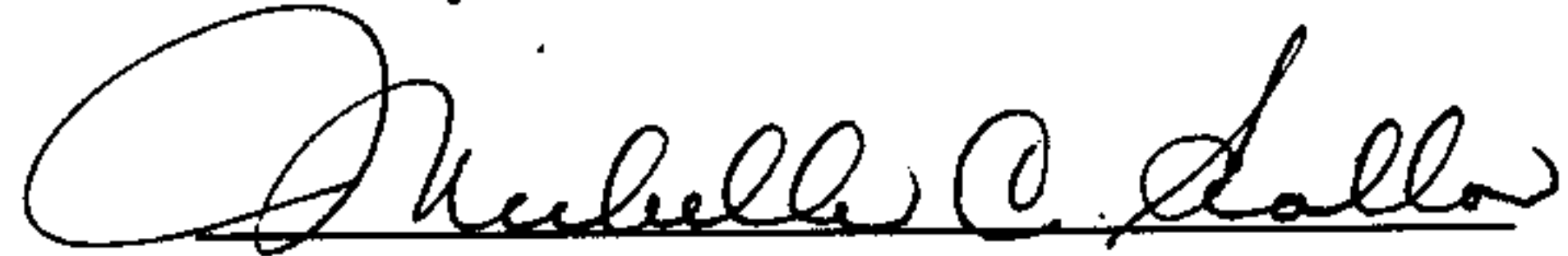
Title: President

[CORPORATE SEAL]

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

STATE OF GEORGIA
COUNTY OF FULTON

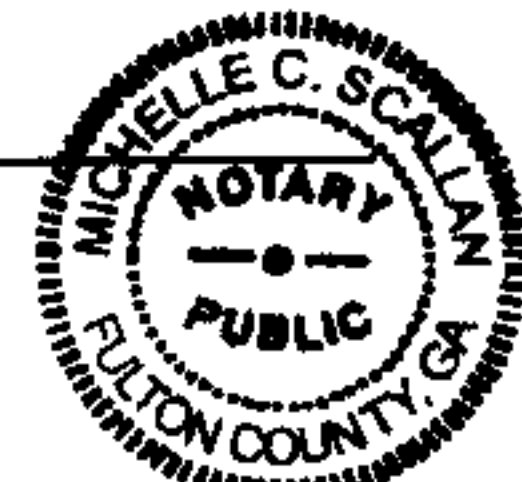
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Michael A. Hardin, whose name as President of Harcon, Inc., a Georgia corporation, is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.



Notary Public

My Commission Expires: _____

[NOTARY SEAL]



Commission Expires
June 4, 2004

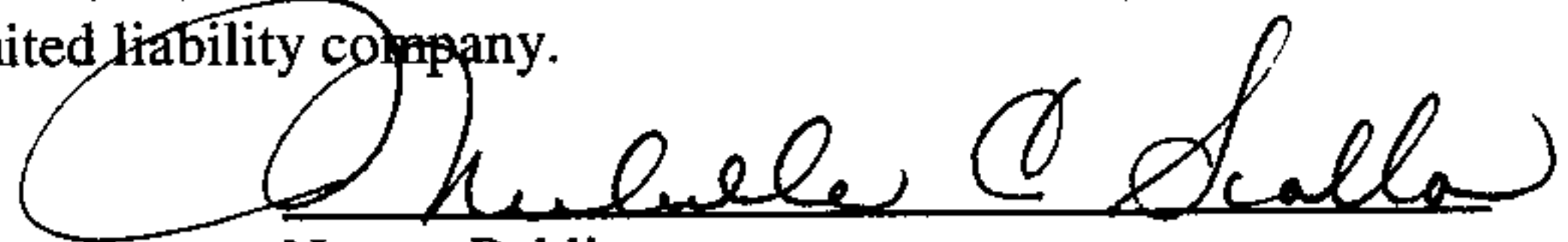
905 UNION HILL, LLC

By: Michael A. Hardin

Title: Manager / Member

STATE OF GEORGIA
COUNTY OF FULTON

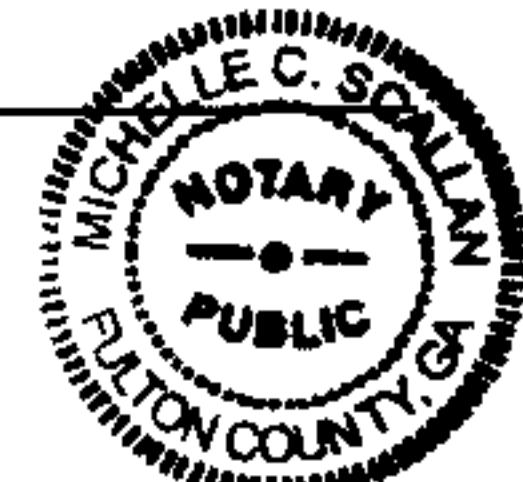
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Michael A. Hardin, whose name as Managing Member of 905 Union Hill, LLC a Georgia limited liability company, is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.



Notary Public

My Commission Expires: _____

[NOTARY SEAL]



Commission Expires
June 4, 2004

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

HELENA PROPERTIES, LLC

By: Michael A. Hardin

Title: Manager / Member

STATE OF GEORGIA
COUNTY OF FULTON

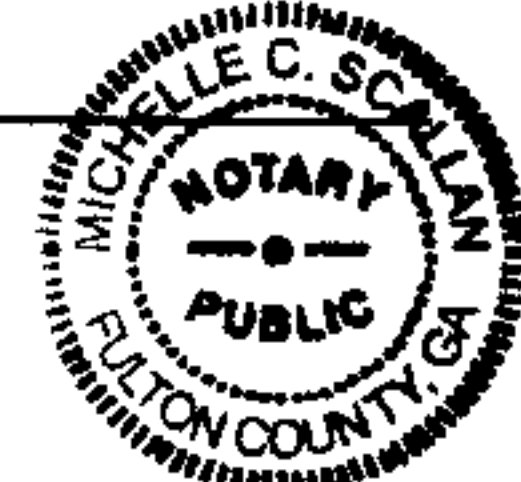
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Michael A. Hardin, whose name as Managing Member of Helena Properties, LLC a Georgia limited liability company, is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Michelle C. Scallan

Notary Public

My Commission Expires: _____

[NOTARY SEAL]



Commission Expires
June 4, 2004

SOUTHTRUST BANK

By: Walter Jordan

Title: Vice President

[BANK SEAL]

STATE OF GEORGIA
COUNTY OF FULTON

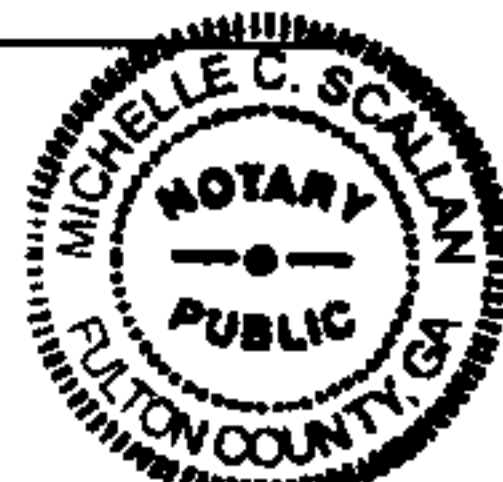
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Walter Jordan, whose name as Vice President of SouthTrust Bank, a banking institution, is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said banking institution.

Michelle C. Scallan

Notary Public

My Commission Expires: _____

[NOTARY SEAL]



Commission Expires
June 4, 2004