

ENVIRONMENTAL INDEMNIFICATION AGREEMENT

THIS ENVIRONMENTAL INDEMNIFICATION AGREEMENT (this "Agreement") is made and entered into as of 30 th day of January 2002 by Keystone, LLC, a Limited Liability Company, (hereinafter, the "Indemnitor"), in favor of Frontier National Bank Main Office, a National Bank, (hereinafter, the "Lender").

As an inducement to the Lender to make a loan (the "Loan") in the amount of \$ 955,750.00 to Keystone, LLC a LIMITED LIABILITY COMPANY, (the "Borrower"), and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Indemnitor hereby agrees as follows:

1. **Definitions.** For the purposes of this Agreement, the following words and phrases shall have the following meanings:

(a) **Hazardous Material** shall mean any substance:

- (i) 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 currently in effect or in effect in the future, with any amendments thereto; or
- (ii) 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. § 6901 et seq.); or
- (iii) Which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and is regulated presently or in the future by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Alabama or any political subdivision thereof; or
- (iv) The presence of which on the property (as described on Exhibit A attached hereto) and/or the improvements located thereon (collectively, 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
- (v) The presence of which on adjacent properties could constitute a trespass by the Borrower; or
- (vi) Which contains, without limitation, gasoline, diesel fuel or the constituents thereof, or other petroleum hydrocarbons; or
- (vii) Which contains, without limitation, polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or
- (viii) Which contains, without limitation, radon gas.
- (ix) Which contains without limitation, radioactive materials or isotopes.

(b) **"Environmental Requirements"** shall mean all applicable present and future statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative and regulatory decrees, judgments and orders and amendments thereto relating to the protection of human health or the environment, including without limitation:

- (i) All requirements (including, but not limited to, those pertaining to reporting, licensing, permitting, investigation, removal and remediation of emissions, discharges, releases or threatened releases of Hazardous Materials, chemical substances, pollutants, contaminants or hazardous or toxic substances, materials or wastes, whether solid, liquid or gaseous in nature, into the air, surface water, ground water or land) relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, chemical substances, pollutants, contaminants or hazardous or toxic substances, materials or wastes, whether solid, liquid or gaseous in nature; and
- (ii) All requirements pertaining to the protection of the health and safety of employees or the public.

(c) **"Environmental Damages"** shall mean all claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability), encumbrances, liens, costs, and expenses of investigation and defense of any claim, whether or not such claim is ultimately defeated, and of any good faith settlement of judgment, of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, including, without limitation, reasonable attorneys' fees and disbursements and consultants' fees, any of which are incurred at any time as a result of the existence prior to the payment in full of the Loan of any Hazardous Material upon, about or beneath the Property or migrating or threatening to migrate to or from the Property, or the existence of a violation of any Environmental Requirements pertaining to the Property, regardless of whether the existence of such Hazardous Materials or the violation of Environmental Requirements arose prior to the present ownership or operation of the Property, and including without limitation:

- (i) Damages for personal injury, or injury to property or natural resources occurring upon or off of the Property, foreseeable or unforeseeable, including, without limitation, lost profits, consequential damages, the cost of demolition and rebuilding of any improvements on real property, interest and penalties, including, but not limited to, claims brought by or on behalf of employees of the Borrower, with respect to which the Borrower waives any immunity to which the Borrower may be entitled under any industrial or worker's compensation laws to the extent that such immunity might otherwise preclude liability of the Borrower to the Lender under this Agreement;
- (ii) Fees incurred for the services of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials or violation of Environmental Requirements, including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any Federal, state or local governmental agency or political subdivision, or reasonably necessary to make full economic use of the Property or any other property or otherwise expended in connection with such conditions, and including, without limitation, any attorneys' fees, costs and expenses incurred in enforcing this Agreement or collecting any sums due hereunder; and
- (iii) Liability to any third person or governmental agency to indemnify such person or agency for costs expended in connection with the items referenced in subparagraph (ii) herein; and
- (iv) Diminution in the value of the Property, and damages for the loss of business and restriction on the use or adverse impact on the marketing of rentable or usable space or of any amenity of the Property.

2. **Environmental Representations and Warranties.** The Indemnitor represents and warrants to the Lender, its successors and assigns that:

(a) **No Hazardous Materials On or Migrating To or From Property.** Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, neither the Borrower nor any previous owner, tenant, occupant or user of the Property nor any other person, has engaged in or permitted any operations or activities upon, or any use or occupancy of the Property, or any portion thereof, for the purpose of or in any way involving the handling, manufacture, treatment, storage, use, generation, release, discharge, refining, dumping or disposal of any Hazardous Materials (whether legal or illegal, accidental or intentional) on, under, in or about the Property, or transported any Hazardous Materials to, from or across the Property. Except as specified in Schedule attached hereto, there are no Hazardous Materials presently constructed, deposited, stored or otherwise located on, under, in or about the Property, nor have Hazardous Materials migrated from the Property upon or beneath other properties, nor have any Hazardous Materials migrated or threatened to migrate from other properties upon, about or beneath the Property.

(i) **No Asbestos on Property.** Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, there is not constructed, placed, deposited, stored, disposed of nor located on the Property any asbestos in any form which has become or threatens to become friable.

(ii) **No Underground Tanks or Improvements on Property.** Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, no underground improvements, including, but not limited to, treatment or storage tanks, sumps, or water, gas or oil wells are or have ever been located on the Property.

(iii) **No PCBs on Property.** Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, there is not constructed, placed, deposited, stored, disposed of nor located on the Property any polychlorinated biphenyls (PCBs) nor transformers, capacitors, ballasts or other equipment which contain dielectric fluid containing PCBs at levels in excess of 50 parts per million (50ppm).

(iv) **No Formaldehyde on Property.** Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, there is not constructed, placed, deposited, stored, disposed of nor located on the Property any material containing urea formaldehyde.

(b) **Compliance with Environmental Requirements.** Except as specified in Schedule attached hereto, the Property and its existing uses and activities thereon, including, but not limited to, the use, maintenance and operation of the Property, and all activities and conduct of business related thereto, comply with all Environmental Requirements. Except as specified in Schedule attached hereto, to the best knowledge of the Indemnitor, after due and reasonable investigation, the prior uses and activities on the Property have at all times complied with all Environmental Requirements.

(c) **No Notice of Violation or Litigation.** Except as specified in Schedule attached hereto, neither the Borrower nor, to the best knowledge of the Indemnitor, after due and reasonable investigation, any prior owner or occupant of the Property has received notice or other communication concerning any alleged violation of any Environmental Requirements, whether or not corrected to the satisfaction of the appropriate authority, nor notice or other communication concerning alleged liability for Environmental Damages in connection with the Property, and there exists no writ, injunction, decree, order or judgment outstanding, nor any lawsuit, claim, proceeding, citation, directive, summons or investigation, pending or threatened, relating to the ownership, use maintenance or operation of the Property by any person, or from alleged violation of any Environmental Requirements, or from the suspected presence of Hazardous Materials thereon, nor does there exist any basis for any such lawsuit, claim, proceeding, citation, directive, summons or investigation being instituted or filed.

(d) **Survival of Representations and Warranties.** The foregoing representations and warranties shall survive the discharge of all other obligations owed by the parties to each other and any transfer of title to the Property (whether by sale, foreclosure, deed in lieu of foreclosure or otherwise) and the payment in full of the Loan and the discharge of all other obligations owed by the Borrower to the Lender, and shall not be affected by any investigation by or on behalf of the Lender, or by any information which the Indemnitor may have or obtain with respect thereto.

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(i) The Lender; and

(ii) Any other person who acquires a portion of the Property in any manner including, but not limited to, through purchase, at a foreclosure sale or otherwise through the exercise of the rights and remedies of the Lender under any of the agreements between the parties; and

(iii) The directors, officers, shareholders, employees, partners, agents, contractors, subcontractors, experts, licensees, affiliates, lessees, mortgagees, trustees, heirs, devisees, successors, assigns and invitees of any person referenced in subparagraphs (i) and (ii) above,

(b) The Indemnitor's obligation hereunder shall include, but not be limited to, the burden and expense of defending all claims, suits and administrative proceedings (with counsel reasonably approved by the indemnified parties,) even if such claim, suits or proceedings are groundless, false or fraudulent, and conducting all negotiations of any description, and paying and discharging, when and as the same become due, any and all judgments, penalties or other sums due against such indemnified persons. The Lender, at the Lender's sole expense, may employ additional counsel of the Lender's choice to associate with counsel representing the Indemnitor.

4. Obligations to Remediate. Notwithstanding the obligation of the Indemnitor to indemnify the Lender pursuant to this Agreement, the Indemnitor shall, upon demand of the Lender, and at the Indemnitor's sole cost and expense, promptly take all actions to remediate, including removal and other forms of cleanup, the Property which are required by any Federal, state or local governmental agency or political subdivision and/or which are reasonably necessary to mitigate Environmental Damages or to allow full economic use of the Property, which remediation is necessitated from the presence upon, about or beneath the Property, prior to the payment in full of the Loan and discharge of all other obligations owed by the Indemnitor to the Lender of a Hazardous Material or a violation of any Environmental Requirements. Such actions shall include, but not be limited to, the investigation of the environmental condition of the Property, the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or restoration work, whether on or off the Property. The Indemnitor shall take all actions necessary to restore the Property to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Property, notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies. The Indemnitor shall proceed continuously and diligently with such investigatory and remedial actions, provided that in all cases such action shall be in accordance with all applicable Environmental Requirements. Any such actions shall be performed in a good, safe and workmanlike manner and shall minimize any impact on the business conducted at the Property. The Indemnitor shall pay all costs in connection with such investigatory and remedial activities, including, but not limited to, all power and utility costs, and any and all taxes and fees that may be applicable to such activities. The Indemnitor shall promptly provide to the Lender copies of testing results and reports that are generated in connection with the above activities. Promptly upon completion of such investigation and remediation, the Indemnitor shall permanently seal or cap all monitoring wells and test holes to industrial standards in compliance with applicable Federal, state and local laws and regulations, remove all associated equipment, and restore the Property to the maximum extent possible, which shall include, without limitation, the repair of any surface damage, including paving, caused by such investigation or remediation hereunder. At the Lender's option, on demand, the Indemnitor shall provide the Lender with a bond, letter of credit or similar financial assurance satisfactory to the Lender evidencing that the necessary fund are available to perform the obligations established by this paragraph.

6. Right of Inspection. Until the indebtedness is paid in full, the Indemnitor hereby grants, and will cause the Borrower and any and all tenants to grant to the Lender, its agents, attorneys, employees, consultants and contractors an irrevocable license and authorization to enter upon and inspect the Property. If the Lender, in its sole discretion, determines that it is necessary to protect its security interest, the Lender may require the Indemnitor to perform such tests, including, without limitation, subsurface testing, soils and groundwater testing and other tests which may physically invade the Property as the Lender, in its sole discretion, determines are necessary, and the Indemnitor shall pay all costs and expenses in connection with such investigation.

7. **Notice, Etc.** All notices, requests, demands, consents, approvals or other communications given hereunder or in connection herewith shall be in writing, shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by hand delivery or expedited delivery service, delivery charges prepaid and with acknowledged receipt of delivery, shall be deemed given on the date of acceptance or refusal of acceptance shown on such receipt, and shall be addressed to the party to receive such notice at the following applicable address:

If to the Indemnitor, to:

With a copy by ordinary first class mail to:

If to the Lender, to:

With a copy by ordinary first class mail to:

Either party may, by notice given as aforesaid, change its or his address for all subsequent notices. Each notice by or on behalf of the Lender shall be deemed sufficient if signed by any one of the Lender's officers or the Lender's counsel and if otherwise given or made in compliance with this Section.

8. Governing Law; Severability. Amendments. This agreement shall be governed by the laws of the State of Alabama. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, such provision shall be ineffective to the extent of such prohibition, unenforceability or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. This Agreement may be modified or amended only by a writing signed by all of the parties hereto.

9. **Joint and Several Liability.** If more than one person or entity executes this Agreement in favor of Lender, all representations, warranties, covenants, agreements and obligations shall be joint and several with respect to each such person or entity.

10. **Construction.** The singular form of any word used herein shall include the plural, and vice versa. The use herein of a word of any gender shall include each of the masculine and feminine and neuter genders. The headings or title of the several sections and paragraphs of this Agreement shall be solely for convenience of reference and shall not affect the meaning, construction or effect of the provisions hereof.

11. **Successors and Assigns.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

12. Venue; Service of Process. The Indemnitor hereby irrevocably consents (a) to the jurisdiction of the Courts of the State of Alabama, County of _____, and of any Federal Court located in the _____ District of Alabama, and agree that venue in each of such Courts is proper in connection with any action or proceeding arising out of or relating to this Agreement or any document or instrument delivered pursuant to this Agreement, and (b) to the service of process by certified mail, return receipt requested. Nothing herein shall affect the right of any party to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against any party in any other jurisdiction.

13. Reinstatement. Notwithstanding anything to the contrary contained in this Agreement, all of the provisions of this Agreement shall continue to be effective or shall be reinstated, as the case may be, if any payment hereunder or in connection herewith by the Indemnitor, the Borrower, any guarantor of the Loan or any other party is rescinded or otherwise must be returned as a result of the bankruptcy, insolvency or reorganization of the Indemnitor, the Borrower, any guarantor of the Loan or any other party or otherwise, all as if such payment had not been made.

IN WITNESS WHEREOF, the Indemnitor has caused this Agreement to be executed and delivered to the Lender as of the date first stated above.

- INDEMNITOR -

John Bradford Kimball

- INDEMNITOR -

John C. Hall

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA

COUNTY OF _____

I, _____, a Notary Public in and for said County, in said State, hereby certify that _____, 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 _____ day of _____.

Notary Public

My Commission expires: _____

CORPORATE OR OTHER ACKNOWLEDGMENT

STATE OF ALABAMA

COUNTY OF Shelby

I, CINDY K. HARPER, a Notary Public in and for said County, in said State, hereby certify that John C. Kimbrell, whose name as Its Managing Member of Keystone, LLC, a AL limited liability Co., 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, Keystone, LLC, 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 30th day of January, 2002

Notary Public

My Commission expires: 12-28-02

CORPORATE OR OTHER ACKNOWLEDGMENT

STATE OF ALABAMA

COUNTY OF Shelby

I, CINDY K. HARPER, a Notary Public in and for said County, in said State, hereby certify that John Bradford Kimbrell, whose name as Its Member of Keystone, LLC, a AL limited liability Co., 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, Keystone, LLC, 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 30th day of January, 2002

Notary Public

My Commission expires: 12-28-02

LEGAL EXHIBIT "A"

PARCEL I:

Commence at the Northeast corner of Section 15, Township 21 South, Range 3 West, Shelby County, Alabama and run thence North 90 degrees, 00 minutes, 00 seconds west along the north line of said Section 15 a distance of 2,006.79 feet to a point; thence run south 01 degrees, 37 minutes, 57 seconds east a distance of 65.23 feet to a capped steel rebar corner on the south right of way line of Shelby County Highway No. 26 and the point of beginning of the property being described; thence run south 01 degrees, 37 minutes, 57 seconds east along the west line of a twenty foot wide access easement a distance of 232.30 feet to a capped steel rebar corner; thence run south 83 degrees, 58 minutes, 15 seconds west a distance of 111.11 feet to a capped steel rebar corner; thence run south 01 degrees, 31 minutes, 55 seconds east a distance of 160.00 to a capped steel rebar corner; thence run north 83 degrees, 58 minutes, 14 seconds east a distance of 111.10 feet to a capped steel rebar corner; thence run south 01 degrees, 31 minutes, 57 seconds east along the same said west line of same said access easement a distance of 857.32 feet to a capped steel rebar corner on an existing fence line; thence run south 89 degrees, 09 minutes, 11 seconds west on, along and/or very near an existing wire fence a distance of 820.15 feet to a steel rebar corner; thence run north 01 degrees, 32 minutes, 09 seconds west along an existing fence line a distance of 859.68 feet to a steel rebar corner; thence run south 88 degrees, 41 minutes, 46 seconds east along and/or very near an existing fence line a distance of 249.95 feet to a steel rebar corner; thence run north 01 degrees, 32 minutes, 09 seconds west along an existing fence line a distance of 420.85 feet to a capped steel rebar corner on the south right of way line of Shelby County Highway No. 26; thence run South 88 degrees, 41 minutes, 17 seconds east along said right of way line a distance of 571.30 feet to the point of beginning.

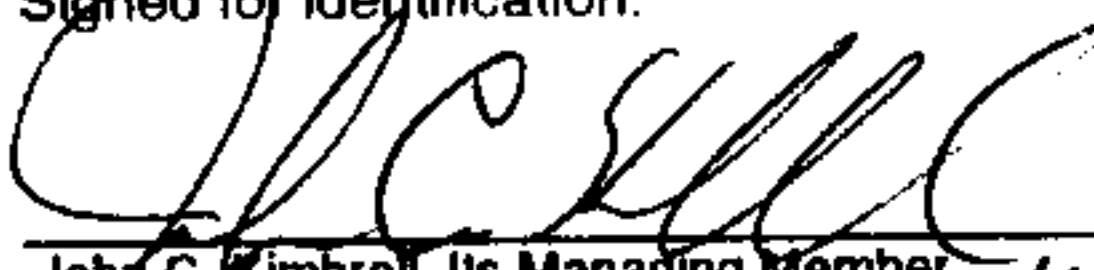
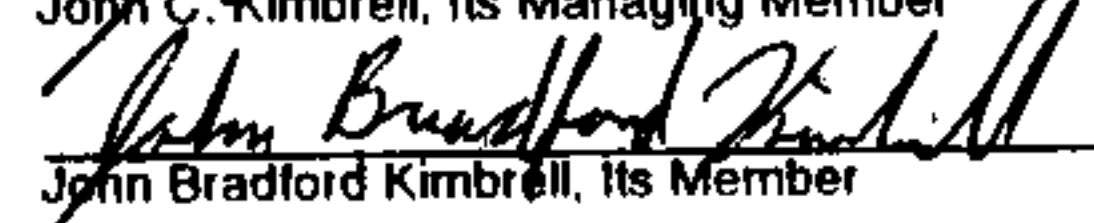
PARCEL II:

Commence at the Northeast corner of Section 15, Township 21 South, Range 3 West, Shelby County, Alabama and run thence north 90 degrees, 00 minutes, 00 seconds west along the north line of said section 15 a distance of 1,323.95 feet to a point; thence run south 01 degrees, 40 minutes, 56 seconds east a distance of 80.75 feet to a steel rebar corner on the south right of way line of Shelby County Highway No. 26 and the point of beginning of the property being described; thence run south 01 degrees, 31 minutes, 32 seconds east a distance of 1,235.68 feet to a capped steel rebar corner; thence run north 89 degrees, 52 minutes, 05 seconds west along an existing fence line a distance of 331.57 feet to a capped steel rebar corner; thence run north 01 degrees, 26 minutes, 05 seconds west a distance of 132.28 feet to a steel rebar corner; thence run south 89 degrees, 23 minutes, 42 seconds west a distance of 331.56 feet to a steel rebar corner in an asphalt surfaced access road; thence run north 01 degrees, 31 minutes, 57 seconds west along the easterly line of said asphalt surfaced access road a distance of 670.04 feet to a capped steel rebar corner; thence run north 87 degrees, 53 minutes, 18 seconds east a distance of 331.19 feet to a two (2") inch open top pipe corner; thence run north 01 degrees, 33 minutes, 54 seconds west a distance of 303.34 feet to a capped steel rebar corner; thence run north 88 degrees, 18 minutes, 09 seconds east a distance of 117.39 feet to capped steel rebar corner; thence run north 01 degrees, 48 minutes, 16 seconds west a distance of 121.89 feet to a P.K. nail corner in asphalt on the south right of way line of same said Highway 26; thence run south 88 degrees, 43 minutes, 36 seconds east along said right of way line a distance of 215.31 feet to the point of beginning.

PARCEL III:

Commence at the Northeast corner of Section 15, Township 21 South, Range 3 West, Shelby County, Alabama and run thence north 90 degrees, 00 minutes, 00 seconds west along the north line of said Section 15 a distance of 2,006.79 feet to a point; thence run south 01 degrees, 37 minutes, 57 seconds east along the west line of a twenty foot wide access easement a distance of 297.53 feet to a capped steel rebar corner and the point of beginning of the property being described; thence run south 83 degrees, 58 minutes, 15 seconds west a distance of 111.11 inch to a capped steel rebar corner; thence run south 01 degrees, 31 minutes, 55 seconds east a distance of 160.00 feet to a capped steel rebar corner; thence run north 83 degrees, 58 minutes, 14 seconds east a distance of 111.10 feet to a capped steel rebar corner; thence run north 01 degrees, 31 minutes, 57 seconds west along the same said west line of same said access easement a distance of 160.00 feet the point of beginning.

Signed for Identification.


John C. Kimbrell, Its Managing Member 01/30/2002
Date

John Bradford Kimbrell, Its Member 1/30/02
Date

Date

Date

Date

Date

Inst. # 2002-05412

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