


Prepared by:
Jack J. Kubiszyn, Esq.
Leitman, Siegal & Payne, P.C.
600 North 20th Street, Suite 400
Birmingham, Alabama 35203

STATE OF ALABAMA)

COUNTY OF JEFFERSON)


20020429000202120 Pg 1/9 35.00
Shelby Cnty Judge of Probate, AL
04/29/2002 14:00:00 FILED/CERTIFIED

CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT

THIS CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT (“Agreement”) is made and entered into as of the 25th day of April, 2002, by and between COLONIAL BANK (“Lender”); CHARLES L. COLLUM (“Collum”); COLLUM PROPERTIES, LLC (“Collum Properties”); TRIO ELECTRICAL CONTRACTING COMPANY, INC. (“Trio”); and COMMERCIAL & INDUSTRIAL ELECTRICAL SALES COMPANY, INC. (“Commercial”).

RECITALS:

- A. Collum Properties has requested a loan from the Lender in the amount of Eight Hundred Sixteen Thousand Two Hundred Forty-Four and 49/100 Dollars (\$816,244.49) (the “Loan”). The Loan is to be evidenced and secured by a promissory note, mortgage and security agreement, guaranty, assignment of rents and leases and other documents, including, but not limited to, those documents being more particularly described in Exhibit “A” hereto and each being dated on or about the date hereof (individually and respectively, the “Collum Properties Loan Documents”).
- B. Collum, Trio and Commercial currently have additional loans from Lender, including, but not limited to, those more particularly described on Exhibit “A”.
- C. Collum, Collum Properties, Trio and Commercial are hereinafter referred to collectively as “Borrowers”.

- D. As a condition to making the Loan to Collum Properties, Lender has required that the Loan be cross-defaulted and cross-collateralized against other loans to Collum, Trio and to Commercial from Lender. Commercial, Trio, Collum Properties and Collum agree and acknowledge that there is good and sufficient consideration for them to execute this Agreement as an inducement to Lender to make the Loan to Collum Properties, and that Commercial, Trio, Collum Properties and Collum will receive direct and indirect benefits from the making of the Loan by the Lender.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, to induce the Lender to make the Loan to Collum Properties, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Commercial, Trio, Collum Properties and Collum agree with Lender, and Lender agrees with Commercial, Trio, Collum Properties and Collum, as follows:

1. **Cross-Collateralization.** The parties hereto agree that any and all loans from Lender to Commercial, to Collum Properties, to Trio or to Collum, including, but not limited to, those listed on Exhibit "A", are hereby cross-collateralized with one another and Borrowers agree that the Collateral described in the Collum Properties Loan Documents and any other Loan Documents between Lender and Commercial, Collum Properties, Trio or Collum shall secure, in addition to such respective Loan and on a **pari passu** basis with the other Loan, the obligations of the respective Borrowers under the other Loan Documents, including, without limitation, the respective Borrower's obligation to pay the principal and interest on the respective Loan, as the same may hereafter be renewed, modified, amended or extended, and to pay all other indebtedness and other agreed charges and to perform all of the terms and conditions under the respective Loan Documents.

2. **Cross-Default.** The parties hereto agree that any and all loans from Lender to Commercial, to Collum Properties, to Trio or to Collum, including, but not limited to those listed on Exhibit "A" are hereby cross-defaulted with one another and the Borrowers agree that the occurrence of an Event of Default as defined in, and pursuant to any of the Loan Documents between Lender and Commercial, Collum Properties, Trio or Collum, shall constitute an immediate Event of Default (without need of notice or the expiration of any additional cure period other than as specified in such Loan Documents) under all the Loan Documents between Lender and the Borrowers.

3. **Miscellaneous.**

(a) This Agreement may be executed in any number of counterparts bearing the original signatures of all parties hereto, each of which shall constitute an original for all purposes, but all of which shall evidence but one and the same Agreement. This Agreement will be recorded

in each county and state where the respective properties described in the Loan Documents are located. This Agreement is being given as additional collateral to secure the obligations of Borrowers under their respective Loan Documents.

(b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.

4. **Controlling Law.** THE VALIDITY, INTERPRETATION, ENFORCEMENT, AND EFFECT OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF ALABAMA.

5. **Waiver of Jury Trial.** BORROWERS HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SET OFF, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE LOAN, OR (B) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF LENDERS AND/OR BORROWERS AND BORROWERS WITH RESPECT TO THE LOAN DOCUMENTS OR IN CONNECTION WITH THIS AGREEMENT OR THE EXERCISE OF ANY PARTY'S RIGHTS AND REMEDIES UNDER THIS AGREEMENT OR OTHERWISE, OR THE CONDUCT OR THE RELATIONSHIP OF THE PARTIES HERETO, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BORROWERS AGREE THAT LENDERS MAY FILE A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY, AND BARGAINED AGREEMENT OF BORROWERS IRREVOCABLY TO WAIVE THEIR RIGHTS TO TRIAL BY JURY AS AN INDUCEMENT OF LENDERS TO MAKE THE LOAN, AND THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY DISPUTE OR CONTROVERSY WHATSOEVER (WHETHER OR NOT MODIFIED HEREIN) BETWEEN BORROWERS AND LENDERS SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrowers and Lender have caused this Agreement to be property executed on the day and year first written above.

COLONIAL BANK

By: Bascom Venable
Its: Vice President

COMMERCIAL & INDUSTRIAL ELECTRICAL SALES
COMPANY, INC.

By: Charles L. Collum
Its: PRES.

Charles L. Collum
CHARLES L. COLLUM

COLLUM PROPERTIES, LLC

By: Charles L. Collum
Its: Member

TRIO ELECTRICAL CONTRACTING COMPANY, INC.

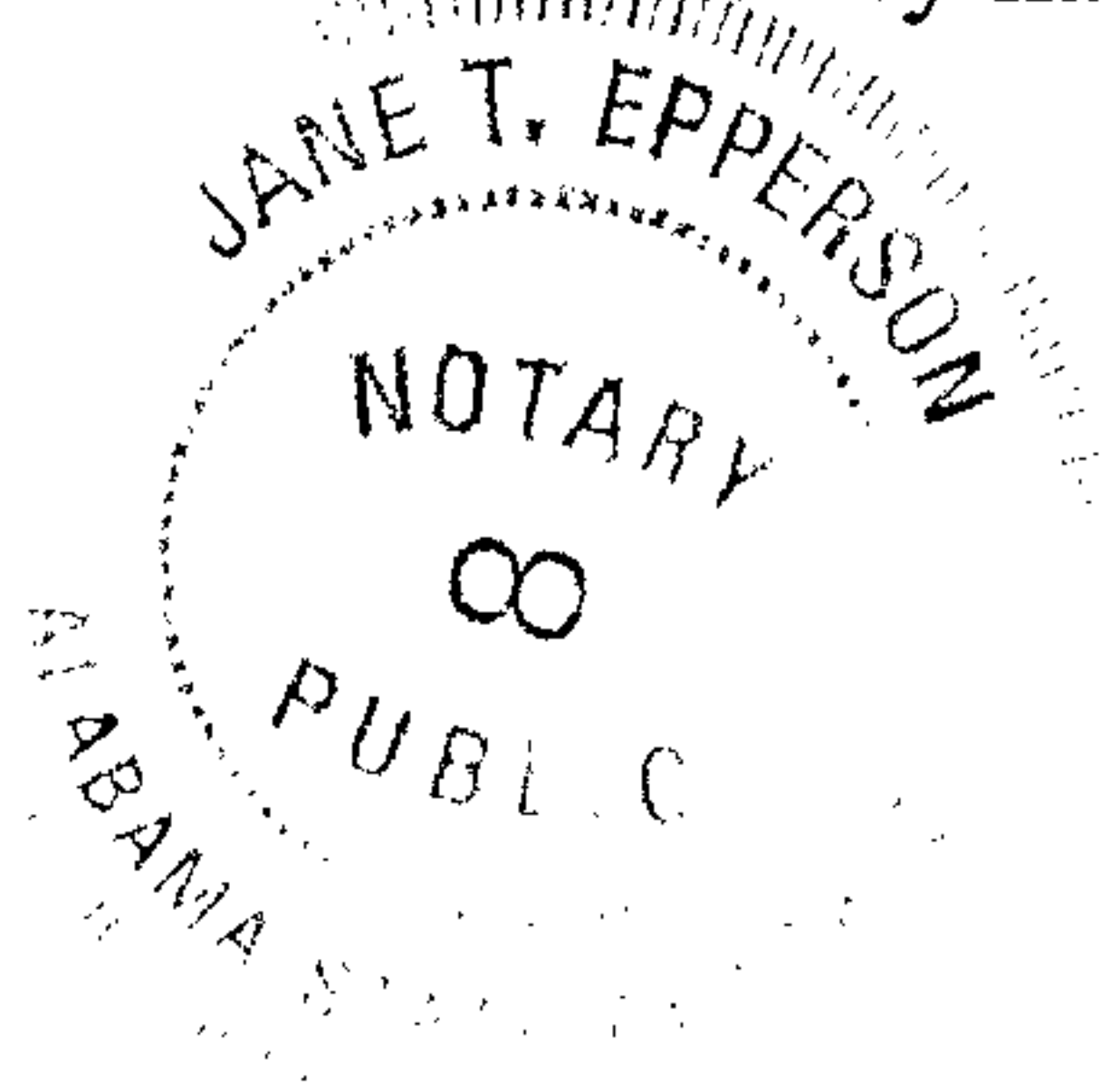
By: Charles L. Collum
Its: PRES.

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Darcey Venable, whose name as Vice President of COLONIAL BANK, an Alabama company, is signed to the foregoing document, and who is known to me, acknowledged before me on this day, that, being informed of the contents of said instrument and with full authority, executed the same voluntarily for and as the act of said company on the day the same bears date.

Given under my hand and official seal this 26 day of April, 2002.



Jane T. Epperson
Notary Public

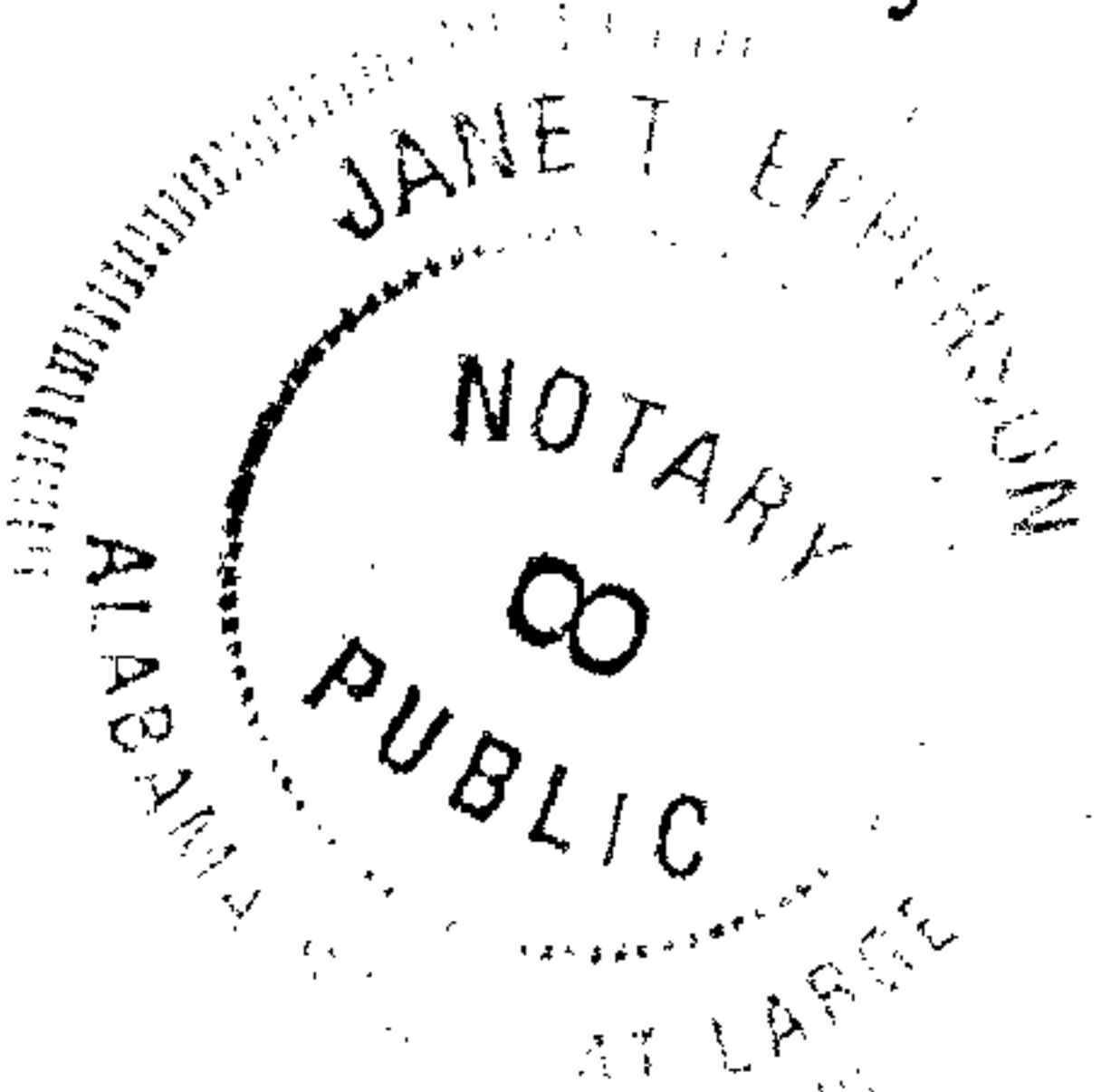
My Commission Expires: My Commission Expires JAN. 15, 2004

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Charles L. Collum, whose name as President of COMMERCIAL & INDUSTRIAL ELECTRICAL SALES COMPANY, INC., an Alabama corporation, is signed to the foregoing document, and who is known to me, acknowledged before me on this day, that, being informed of the contents of said instrument and with full authority, executed the same voluntarily for and as the act of said company on the day the same bears date.

Given under my hand and official seal this 26 day of April, 2002.



Jane T. Epperson
Notary Public

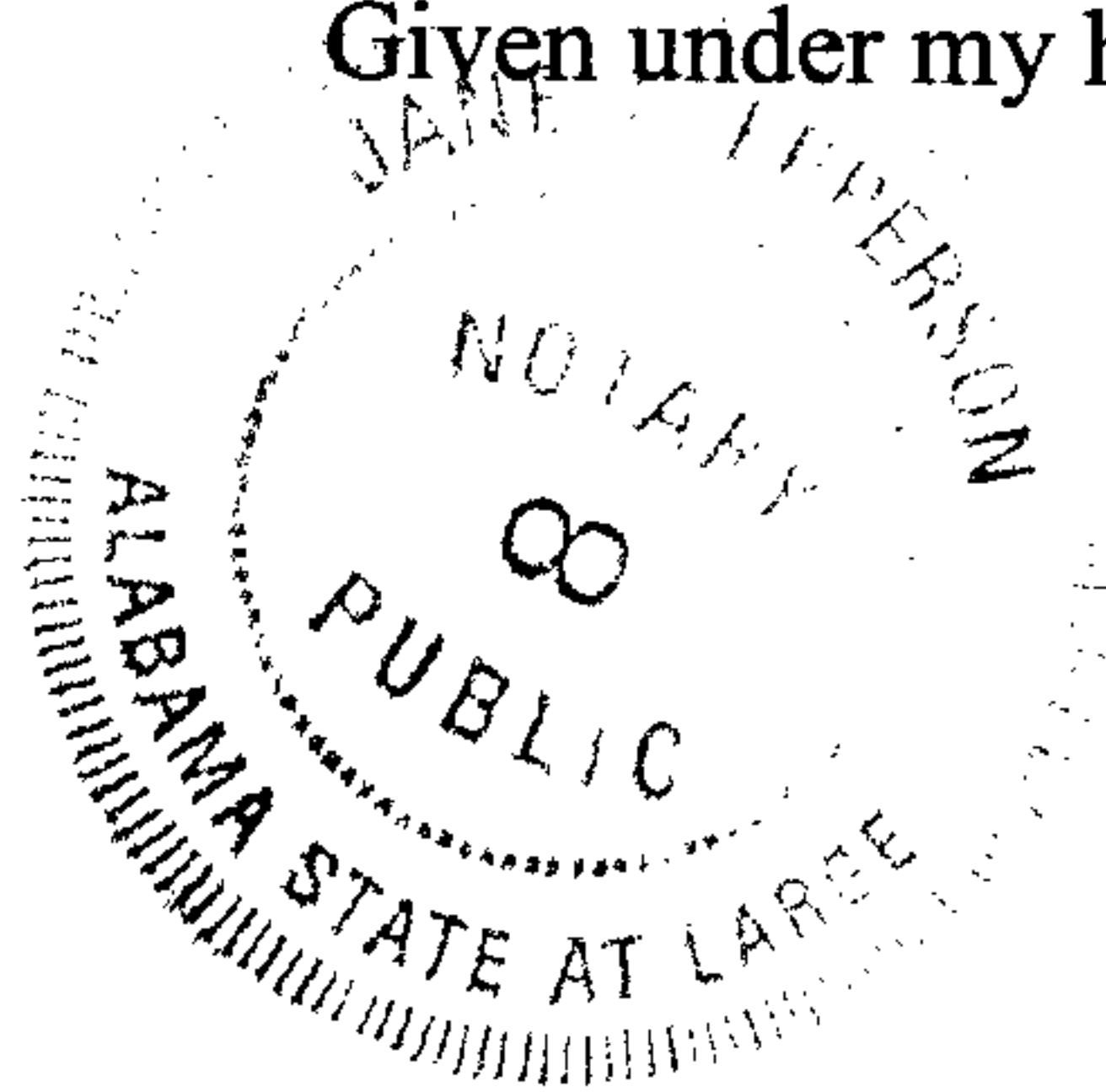
My Commission Expires My Commission Expires JAN. 15, 2004

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that CHARLES L. COLLUM, an individual, is signed to the foregoing document, and who is known to me, acknowledged before me on this day, that, being informed of the contents thereof, he executed the same voluntarily.

Given under my hand and official seal this 26 day of April, 2002.



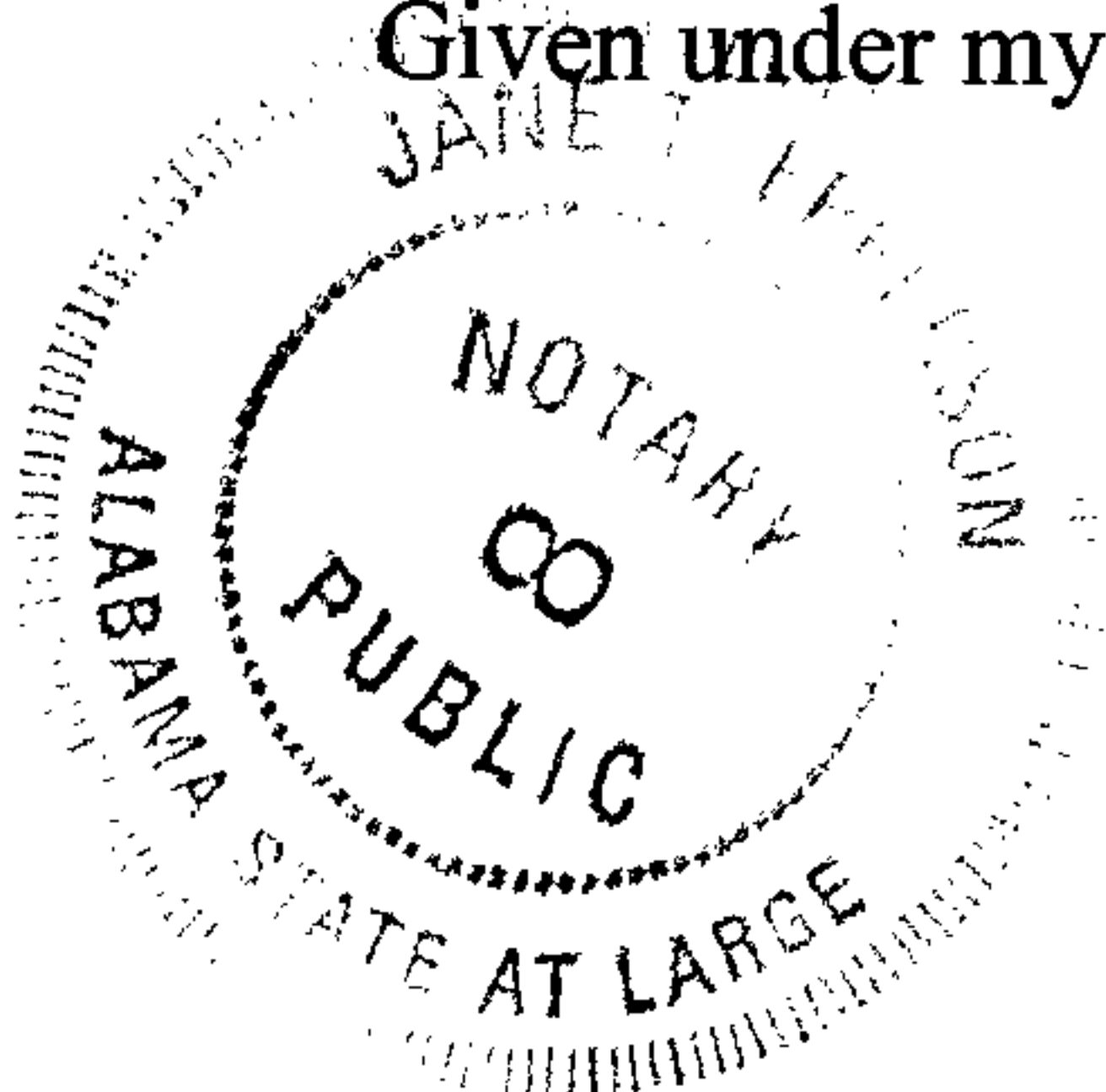
Jane I. Epperson
Notary Public
My Commission Expires My Commission Expires JAN. 15, 2004

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Charles L. Collum, whose name as Member of COLLUM PROPERTIES, LLC, is signed to the foregoing document, and who is known to me, acknowledged before me on this day, that, being informed of the contents thereof, he, as such officer and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand and official seal this 26 day of April, 2002.



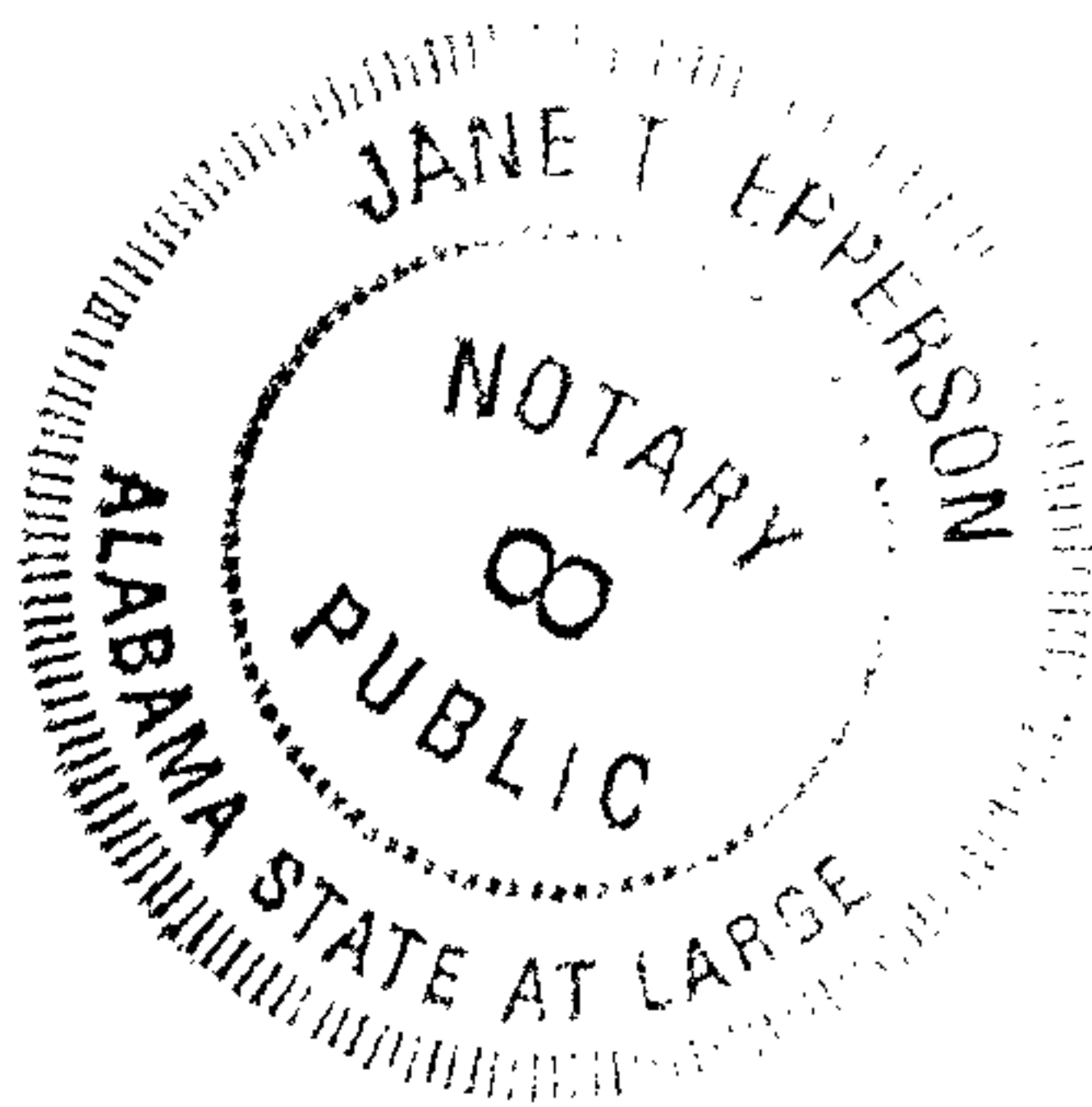
Jane I. Epperson
Notary Public
My Commission Expires My Commission Expires JAN. 15, 2004

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned, a Notary Public, in and for said County, in said State, hereby certify that Charles Collum, whose name as President of TRIO ELECTRICAL CONTRACTING COMPANY, INC., is signed to the foregoing document, and who is known to me, acknowledged before me on this day, that, being informed of the contents thereof, 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 06 day of April, 2002.



Janet Epperson
Notary Public
My Commission Expires: My Commission Expires JAN. 15, 2004

EXHIBIT "A"

1. Loan Documents to Collum Properties, LLC:

- (a) Assignment of Leases and Rents;
- (b) Mortgage and Security Agreement;
- (c) Promissory Note;
- (d) Estoppel Certificate and Attornment Agreement;
- (e) Warranties, Representations and Agreement for Submission of Financial Statements;
- (f) Cross-Collateral and Cross-Default Agreement.

Any and all other documents executed by Collum Properties, LLC, Charles Collum, or others, evidencing, securing, or otherwise relating to the loan from Colonial Bank.

2. Loans of Commercial:

In Line facility Commitment of \$2,500,000.00

Any and other documents executed by Commercial & Industrial Electrical Sales Company, Inc., or others, evidencing, securing, or otherwise relating to the Loan from Colonial Bank.

3. Loans of Collum:

- (a) Real Estate Loan for approximately \$577,348.35 and \$239,082.86
- (b) Automobile Loans for approximately \$2,836.26 and \$10,198.33

Any and other documents executed by Charles Collum, or others, evidencing, securing, or otherwise relating to the Loan from Colonial Bank.

4. Loans of Trio:

In Line Facility Commitment of \$500,000.00

Any and other documents executed by Trio, or others, evidencing, securing, or otherwise relating to the Loan from Colonial Bank.

EXHIBIT "A"

A parcel of land in the East ½ of the East ½ of Section 25, Township 20 South, Range 3 West, Shelby County, Alabama, described as follows:

Commence at the Northeast corner of said Section 25; thence run South along the East section line 1309.65 feet to the point of beginning; thence continue last course 370.75 feet; thence turn right 90°00'00" and run west 378.01 feet to a point on a clockwise curve on the east right of way of McCain Parkway, having a central angle of 58°49'55" and a radius of 241.07 feet; thence turn right 32°42'16" to the tangent of said curve and run Northwesterly along arc of said curve 241.07 feet to the point of tangent; thence continue Northerly along said tangent 161.49 feet; thence turn right 88°27'49" leaving said right of way and run East 484.42 feet to the point of beginning; being situated in Shelby County, Alabama.

200204290000202120 Pg 9/9 35.00
Shelby Cnty Judge of Probate, AL
04/29/2002 14:00:00 FILED/CERTIFIED