

*This Instrument Prepared By:*  
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ALLISON, MAY, ALVIS, FUHRMEISTER,  
KIMBROUGH & SHARP, L. L. C.  
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(205) 991-6367

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## **NEGATIVE PLEDGE AND TRANSFER AGREEMENT**

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This Negative Pledge and Transfer Agreement is made as of the 20<sup>th</sup> day of August, 2002, by **SHELBY COUNTY, ALABAMA** ("Borrower").

### **WITNESSETH**

WHEREAS, Borrower made that certain Note (the "Note") to **REGIONS BANK** ("Lender"), dated August 20, 2002, in the principal amount of \$1,850,000.00 plus interest.

WHEREAS, Borrower is the owner of that certain property in Shelby County, Alabama as more particularly described in Exhibit "A" hereto (hereinafter the "Property").

WHEREAS, as a condition to the making of the loan to Borrower by Lender as evidenced by the Note, Lender requested and Borrower agreed to execute this Negative Pledge and Transfer Agreement.

NOW, THEREFORE, in consideration of the extension of credit to Borrower by Lender and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower hereby states, and agrees as follows:

1. Borrower warrants and represents that until the Note, including all extensions, renewals, modifications and replacements thereof, has been repaid in full, Borrower shall not in any manner, shape or form: (i) place, make, cause to be made, or permit any lien of any nature, including any mortgage, deed of trust, or judgment lien, against, affecting or with respect to the Property, or (ii) convey, assign, transfer, deed over, or lease all or any portion of the Property.
2. Borrower represents and warrants that the Property is not the subject of any negative pledge agreement, agreement not to mortgage, encumber, sell, transfer or convey any interest in the Property, or any similar agreement other than this one.
3. Borrower further agrees that if: (a) any payment due to be made pursuant to the Note is not paid as and when due, (b) any lien is filed against or established on the Property after the date of this agreement, (c) Borrower executes any negative



pledge agreement, agreement not to mortgage, encumber, sell, transfer or convey any interest in the Property, or any similar agreement after the date of this agreement, or (d) Lender, in good faith, determines that the Note should be secured, the Borrower will forthwith execute a mortgage in favor of Lender, conveying to Lender a valid lien in and to the Property in order to secure all amounts payable under the Note and any interest then due or to become due thereon.

4. Neither any failure nor any delay on the part of Lender in exercising any right, power or privilege hereunder or under the Note shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege. Nothing contained herein shall be construed to limit any right or remedy which Lender shall have under the Note or under applicable law upon the occurrence of any event of default under the Note, including, without limitation, failure to pay a payment when and as due.
5. Borrower agrees that Lender may record this Agreement in the Land records where the Property is located.

**BORROWER:**

SHELBY COUNTY, ALABAMA

By:  (SEAL)  
ALEX DUDCHOCK, COUNTY MANAGER

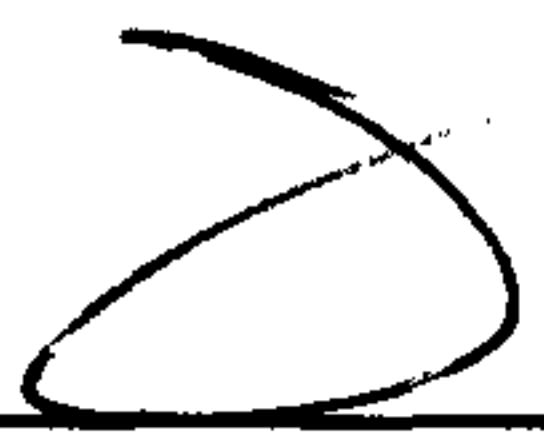
STATE OF ALABAMA                    )  
  )  
SHELBY COUNTY                        )

I, the undersigned Notary Public in and for said County in said State, hereby certify that Alex Dudchock, whose name as County Manager of Shelby County, Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said document, he, as



County Manager of Shelby County, Alabama, and with full authority, executed the same voluntarily for and as the act of Shelby County, Alabama.

Given under my hand and seal this 20<sup>th</sup> day August, 2002.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 5/21/03



Part of the NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 20, Township 19 South, Range 1 West and being more particularly described as follows:

Begin at the NE corner of the NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 20, Township 19 South, Range 1 West; thence run in a Southerly direction along the East line of said  $\frac{1}{4}$  -  $\frac{1}{4}$  section for a distance of 335.13 feet to the Northerly right of way line of an unnamed public road; thence turn 72 deg. 18 min. 13 sec. to the right and run along said right of way line a distance of 178.71 feet to the point of beginning of a curve to the left, said curve to the left having a radius of 410.04 feet and being subtended by a central angle of 13 deg. 54 min. 17 sec.; thence run along the arc of said curve to the left for a distance of 99.51 feet to the end of said curve to the left; thence at tangent to said curve to the left continue along said right of way line for a distance of 104.40 feet; thence turn 121 deg. 32 min. 25 sec. to the right for a distance of 486.25 feet to the North line of said  $\frac{1}{4}$ -  $\frac{1}{4}$  section; thence turn 90 deg. 10 min. 36 sec. to the right and run along said  $\frac{1}{4}$  -  $\frac{1}{4}$  line a distance of 349.94 feet to the point of beginning; being situated in Shelby County, Alabama.

20020826000404000 Pg 4/4 20.00  
Shelby Cnty Judge of Probate, AL  
08/26/2002 07:27:00 FILED/CERTIFIED

**EXHIBIT A**