

Acct. No. 6534838

PREPARED BY AND RETURN AFTER RECORDING
TO:
Laurece Wilson
Merrill Lynch Credit Corporation
2001 Bishops Gate Blvd. Mt. Laurel, NJ 08054
Mailstop: SV60

STATE OF ALABAMA)
COUNTY OF Shelby)

MORTGAGE

THIS MORTGAGE, as the same may be renewed or extended (*the "Mortgage"*), is dated as of December 16, 2002, and is an agreement BETWEEN William D. Ruff and Sharon Y. Ruff,* JTWROS who reside at 5012 Eagle Crest Rd Birmingham, Alabama 35242 as the mortgagors, and Merrill Lynch Credit Corporation, a Delaware corporation, whose street address is 4802 Deer Lake Drive East, Jacksonville, Florida 32246-6484, as the mortgagee.

* husband and wife

Throughout this Mortgage, "we", "us" and "our" refer to the person or any or all of the persons who sign this Mortgage, and "Merrill Lynch" refers to Merrill Lynch Credit Corporation, the mortgagee, or anyone to whom this Mortgage is assigned.

DESCRIPTION OF SECURITY

By signing this Mortgage, we grant, bargain, sell and convey (*"Mortgage"*) to Merrill Lynch the following described property located in the County of Shelby, State of Alabama, subject to the terms of this Mortgage:

Legal description attached hereto and made a part hereof.

This property has the address of 5012 Eagle Crest Rd Birmingham, Alabama 35242 and, together with the interests described below relating to this property, is called the "Property" in this Mortgage.

In addition to mortgaging to Merrill Lynch the Property described above, we also mortgage to Merrill Lynch the following interests relating to that Property: (a) all buildings and other structures located on the Property; (b) all rights we may have in any roads and alleys next to the Property or in any minerals, oil and gas rights and profits, water, water rights, and water stock which are a part of the Property; (c) all rents and royalties from the Property and any proceeds from the condemnation of, or insurance payments concerning losses to, the Property; and (d) all fixtures now on the Property or later placed on the Property, including replacements of, and additions to, those fixtures. Our mortgage to Merrill Lynch of the rights and interests described above includes all rights and interests which we now have or which we may acquire in the future. For example, if the security mortgaged under this Mortgage is a leasehold estate, and we subsequently acquire fee title to the Property subject to the leasehold estate, the rights and interests mortgaged to Merrill Lynch by this Mortgage will include the fee title to the Property that we acquire.

OBLIGATIONS BEING SECURED

We have signed this Mortgage to secure (a) the payment to Merrill Lynch of a revolving line of credit debt in the amount of U.S. \$75,000.00, or so much of that debt as may be outstanding, plus all accrued interest, fees and other charges owed under the Merrill Lynch Equity Access® Agreement, as the same may be renewed or extended (*the "Agreement"*), relating to this Mortgage; (b) the payment of any amounts advanced by Merrill Lynch to protect the security of this Mortgage, with interest on those amounts; (c) the performance by the persons who signed the Agreement of their obligations under the Agreement; and (d) our performance of our obligations under this Mortgage. The Agreement and this Mortgage, taken together, are called the "Credit Documents." The term Agreement shall include all modifications, extensions, and renewals thereof. All sums owed under the Agreement become due and payable in full on January 16, 2033.

NOTE TO PROBATE JUDGE: THIS INSTRUMENT SECURES A REVOLVING LINE OF CREDIT INDEBTEDNESS, AND THE MAXIMUM PRINCIPAL INDEBTEDNESS TO BE SECURED BY THIS INSTRUMENT AT ANY ONE TIME IS \$75,000.00.

THIS MORTGAGE IS A FUTURE ADVANCE MORTGAGE EXECUTED TO SECURE ANY AND ALL FUTURE ADVANCES MADE TO US BY MERRILL LYNCH PURSUANT TO THE TERMS AND PROVISIONS OF THE AGREEMENT. ALL SUCH FUTURE ADVANCES AND ALL INDEBTEDNESS AND OBLIGATIONS MADE TO AND INCURRED BY US PURSUANT TO THE TERMS AND PROVISIONS OF THE AGREEMENT ARE MADE A PART OF THE WITHIN MORTGAGE DEBT, WITH ALL OF THE RIGHTS, POWER AND AUTHORITY AS TO COLLECTION AND FORECLOSURE HEREIN EXPRESSED.

REPRESENTATIONS AND OBLIGATIONS CONCERNING THE PROPERTY

We promise that except for the "Exceptions" listed in any title insurance policy which insures Merrill Lynch's rights in the Property: (a) we lawfully own the Property; (b) we have the right to mortgage the Property to Merrill Lynch; and (c) there are no outstanding claims or charges against the Property.

We give a general warranty of title to Merrill Lynch. This means that we will be fully responsible for any losses which Merrill Lynch suffers because someone other than us has some of the rights in the Property which we promise that we have. We promise that we will defend our ownership of the Property against any claims of such rights.

We further promise that we will neither take nor permit any action to partition or subdivide all or part of the Property, or change in any way the condition of title to all or part of the Property.

PROVISIONS OF THE AGREEMENT

We understand that the Agreement calls for a variable interest rate, and that Merrill Lynch may, prior to the end of the term of the Agreement and under certain circumstances specified in the Agreement, cancel its obligation to make future advances, and/or require accelerated repayment of the outstanding balance, under the Agreement. The Agreement provisions below relate to the variable interest rate.

The paragraph in the Agreement, entitled "Interest," provides, in part, as follows:

(a) **ANNUAL INTEREST RATE.** The annual interest rate applied to our Outstanding Principal Balance is calculated daily and equals the Prime Rate plus zero percent (0%).

(b) **PRIME RATE.** The Prime Rate for any date is the "prime rate" published by The Wall Street Journal for that date. If a "prime rate" range is published by The Wall Street Journal, then the highest rate of that range will be used. If The Wall Street Journal does not publish a prime rate or a prime rate range for any date, then the prime rate or the highest rate of the prime rate range published by The Wall Street Journal for the most recent day within four (4) days prior to that date, for which The Wall Street Journal does publish a prime rate or a prime rate range, will be used.

If The Wall Street Journal fails to publish a prime rate or a prime rate range for any date or for any day within four (4) days prior to that date, Merrill Lynch will use a substitute index, to be determined at that time, that has an historical movement substantially similar to that of the prime rate published in The Wall Street Journal, and that would result in an annual percentage rate substantially similar to the rate in effect at the time the prime rate published in The Wall Street Journal becomes unavailable.

(c) **VARIABLE INTEREST RATE.** This Agreement provides that the annual interest rate will change when the Prime Rate changes, which means that an increase or decrease in the annual interest rate will take effect on the day the Prime Rate changes.

The maximum corresponding (nominal) ANNUAL PERCENTAGE RATE will not exceed 12.25 percent.

Decreases in the annual interest rate are mandatory as the Prime Rate decreases. We understand that we will not be provided with any advance notice of changes in the annual interest rate or the Prime Rate.

PROMISES AND AGREEMENTS

We agree with Merrill Lynch as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Except as limited by paragraph 10 of this Mortgage, we shall promptly pay when required by the Agreement, the principal and interest due under the Agreement, together with any late charges and other charges imposed under the Agreement.

2. APPLICATION OF PAYMENTS. Unless prohibited by law, all payments received by Merrill Lynch under the Agreement and this Mortgage shall be applied by Merrill Lynch first to reduce any sums outstanding under the line of credit secured by this Mortgage (*the "Account"*) which are in excess of the credit available under the Account, then in payment of amounts payable to Merrill Lynch by us under paragraphs 6 and 23 of this Mortgage, then to charges payable under the Agreement (other than those specifically identified in this paragraph 2), then to interest, and then to the principal payable under the Agreement.

3. PRIOR MORTGAGES AND DEEDS OF TRUST; CHARGES; LIENS. We shall fully and timely perform all of our obligations under any mortgage, deed of trust or other security agreement which is prior to this Mortgage, including our obligations to make any payments when due.

We shall pay or cause to be paid, at least ten (10) calendar days before delinquency, all taxes, assessments and other charges, fines and impositions relating to the Property and all encumbrances, charges, loans and liens (other than any prior mortgage or deed of trust) on the Property which may become prior to this Mortgage, and leasehold payments or ground rents, if any. We shall deliver to Merrill Lynch, upon its request, receipts evidencing such payment. If, at the time Merrill Lynch elects to terminate the Account as provided in paragraph 15 below, there is an assessment which is payable in installments at our election or at the election of the lessee of the Property, that assessment will nevertheless be considered entirely due and payable on the day the first installment becomes due or payable or a lien.

4. HAZARD INSURANCE. We shall, at our cost, keep the improvements now existing or later erected on the Property insured against loss by fire, by hazards included within the term "extended coverage," and by such other hazards (*collectively referred to as "Hazards"*) as Merrill Lynch may require. We shall maintain Hazard insurance for the entire term of the Agreement, or as long as Merrill Lynch may require, in an amount equal to the lesser of (a) the maximum insurable value of the Property or (b) the maximum amount of the Account plus the outstanding amount of any obligation prior to this Mortgage, but in no event shall such amounts be less than the amount necessary to satisfy any coinsurance requirement contained in the insurance policy.

We may choose the insurance company subject to approval by Merrill Lynch, provided that such approval may not be unreasonably withheld. All insurance policies, including renewals, must be in form acceptable to Merrill Lynch and must include a standard mortgagee clause in favor of and in a form acceptable to Merrill Lynch. Merrill Lynch shall have the right to hold the policies and renewals, subject to the terms of any mortgage, deed of trust or other security agreement which is prior to this Mortgage. If we pay the premiums directly, we shall promptly furnish to Merrill Lynch all renewal notices and, if requested by Merrill Lynch, all receipts of paid premiums. If policies and renewals are held by any other person, we shall supply copies of them to Merrill Lynch within ten (10) calendar days after they are issued.

In the event of loss, we shall give prompt notice to the insurance company and Merrill Lynch. Merrill Lynch may make proof of loss if not made promptly by us.

Subject to the rights and terms of any mortgage, deed of trust or other security agreement which is prior to this Mortgage, the amounts collected by us or Merrill Lynch under any Hazard insurance policy may, at Merrill Lynch's sole discretion, either be applied to the sums secured by this Mortgage (after payment of all reasonable costs, expenses and attorneys' fees necessarily paid or incurred by Merrill Lynch and us in this connection) and in whatever order Merrill Lynch may determine or be released to us for use in repairing or reconstructing the Property. Merrill Lynch has the authority to do any of the above. Regardless of any application or release by Merrill Lynch, as described above, this shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

If the Property is abandoned by us, or if we fail to respond to Merrill Lynch in writing within thirty (30) calendar days from the date notice is given to us by Merrill Lynch that the insurance company offers to settle a claim for insurance benefits, Merrill Lynch shall have the authority to settle the claim and to collect and apply the insurance proceeds at Merrill Lynch's sole option either to restoration or repair of the Property or to the sums secured by this Mortgage.

If the Property is acquired by Merrill Lynch, all of our right, title and interest in and to any insurance proceeds resulting from the damage to the Property prior to such acquisition shall become the property of Merrill Lynch to the extent of the sums secured by this Mortgage immediately prior to such acquisition.

5. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. We shall: (a) use, improve and maintain the Property in compliance with applicable laws, statutes, ordinances, orders, requirements, decrees or regulations; (b) keep the Property in good condition and repair, including the repair or restoration of any improvements on the Property which may be damaged or destroyed, and shall pay when due all claims for labor performed and materials furnished therefor; (c) not commit or permit waste or permit impairment or deterioration of the Property; and (d) fully and promptly comply with the provisions of any lease if this Mortgage is on a leasehold.

If this Mortgage is on a unit in a condominium project or a planned unit development, we shall promptly perform all of our obligations under the declaration or covenants creating or governing the condominium project or planned unit development, and the by-laws, regulations and other documents of the condominium project or planned unit development, including any amendments. If a condominium or planned unit development rider is executed by us and recorded together with this Mortgage, the covenants and agreements of that rider shall become a part of this Mortgage as if the rider were included in this document itself.

6. PROTECTION OF MERRILL LYNCH'S SECURITY. We shall appear in and defend any action or proceeding purporting to affect the security of this Mortgage or the rights or powers of Merrill Lynch under this Mortgage.

If we fail to do what is required of us in this Mortgage or the persons who sign the Agreement fail to do what is required of them under the Agreement, or if any action or proceeding is commenced naming Merrill Lynch as a party or affecting Merrill Lynch's interest in the Property or the rights or powers of Merrill Lynch, then Merrill Lynch without demand upon us but upon notice to us as provided in paragraph 11 below, may, without releasing us from any obligation under this Mortgage, do whatever Merrill Lynch believes is necessary, including any disbursement of funds, to protect the security of this Mortgage.

If Merrill Lynch has required mortgage insurance as a condition of opening the Account, we shall pay the premiums required to maintain that insurance in effect until it is no longer required by Merrill Lynch or applicable law.

Any amounts disbursed by Merrill Lynch pursuant to this paragraph 6, with interest at the variable interest rate in effect under the Agreement from time to time, shall be paid by us and are secured by this Mortgage. Unless we agree, in writing, with Merrill Lynch to other terms of payment, such amounts shall be payable upon request of Merrill Lynch. Merrill Lynch is never required to incur any expense or take any action under this Mortgage and any action taken shall not release us from any obligation in this Mortgage.

7. INSPECTION. Merrill Lynch may make or cause to be made reasonable entries upon and inspections of the Property. Unless it is an emergency, Merrill Lynch shall give us notice (*see paragraph 11 below*) prior to an inspection specifying reasonable cause for the inspection.

8. CONDEMNATION. A taking of property by any governmental authority by eminent domain is known as a "condemnation." The proceeds of any award or claim for damages, direct or consequential, relating to any condemnation, conveyance or other taking of all or part of the Property, are hereby assigned and shall be paid to Merrill Lynch, subject to the terms of any mortgage, deed of trust or other security agreement which is prior to this Mortgage. We agree to execute whatever documents are required by the condemning authority to carry out this paragraph. Merrill Lynch shall have the authority to apply or release the condemnation proceeds or settle for those proceeds in the same way as provided in this Mortgage for disposition or settlement of proceeds of Hazard insurance. No settlement for condemnation damages may be made without Merrill Lynch's prior written approval.

9. CONTINUATION OF OUR OBLIGATIONS AND MERRILL LYNCH'S RIGHTS. Extension of the time for payment, acceptance by Merrill Lynch of payments other than according to the terms of the Agreement, modification in payment terms of the sums secured by this Mortgage granted by Merrill Lynch to any of our successors or the waiver or failure to exercise any right granted in this Mortgage or under the Agreement shall not release, in any manner, our liability, or that of our successors in interest, or any guarantor or surety of our liability. Merrill Lynch shall not be required to start proceedings against such successor or refuse to extend time for payment or otherwise modify payment terms of the sums secured by this Mortgage by reason of any demand made by us or our successors.

No act or failure to act of Merrill Lynch shall waive any of Merrill Lynch's rights or remedies under this Mortgage unless the waiver is in writing and signed by Merrill Lynch. Any waiver shall apply only to the extent specifically set forth in the writing. A waiver as to one event shall not be a waiver as to any other event. Obtaining insurance, or paying taxes, other liens or charges shall not be a waiver of Merrill Lynch's right under this Mortgage to accelerate the maturity of the sums secured by this Mortgage in the event of a default under this Mortgage or the Agreement.

10. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; WAIVERS; CO-SIGNERS; CAPTIONS. The agreements contained in this Mortgage shall bind, and the rights under this Mortgage shall extend to, the respective successors, heirs, legatees, devisees, administrators, executors and assigns of Merrill Lynch and us. All of the agreements made by us (or our successors, heirs, legatees, devisees, administrators, executors and assigns) shall be joint and several. This means that any one of us may be required to individually fulfill the agreements.

We hereby expressly waive any rights or benefits of homestead, redemption, dower and/or curtesy which we may have under applicable law.

Any person who co-signs this Mortgage, but does not execute the Agreement, (a) is co-signing this Mortgage only to encumber that person's interest in the Property under the lien and the terms of this Mortgage and to release homestead, redemption, curtesy and/or dower rights, if any, (b) is not personally liable under the Agreement or under this Mortgage, and (c) agrees that Merrill Lynch and any of us or any of the parties to the Agreement may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Agreement, without the consent of the rest of us and without releasing the rest of us or modifying this Mortgage as to the interest of the rest of us in the Property.

The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define its provisions. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, the singular number includes the plural, and the plural number includes the singular.

11. NOTICES. Except where applicable law requires otherwise:

(a) To give us any notice under this Mortgage, Merrill Lynch will hand deliver the notice to us, or mail the notice to us by first class mail, or by registered or certified mail. Merrill Lynch will deliver or mail the notice to us at the address of the Property, or at any other address of which we have given Merrill Lynch written notice as provided in this paragraph;

(b) To give the persons who sign the Agreement any notice under this Mortgage, Merrill Lynch will hand deliver the notice to such persons or mail the notice to such persons by first class mail, or by registered or certified mail. Merrill Lynch will deliver or mail the notice to such persons at the address indicated in the Agreement, or at any other address of which such persons have given Merrill Lynch such notice as provided in the Agreement; and

(c) To give Merrill Lynch any notice under this Mortgage, we will mail the notice to Merrill Lynch by first class mail, or by registered or certified mail, at the address specified on our most recent monthly billing statement for the receipt of such notices. We may also give Merrill Lynch such notice at any other address of which Merrill Lynch has given us written notice as provided in this paragraph.

Except as otherwise provided in this Mortgage, any notice provided for in this Mortgage must be in writing and is considered given on the day it is delivered by hand or deposited in the U.S. Mail, as provided above.

12. GOVERNING LAW; SEVERABILITY. Alabama law applies to this Mortgage. This does not limit, however, the applicability of federal law to this Mortgage. If any provision of this Mortgage is held to be invalid, illegal, or unenforceable by any court, that provision shall be deleted from this Mortgage and the balance of this Mortgage shall be interpreted as if the deleted provision never existed.

13. OUR COPY. We shall receive a copy of the Agreement and of this Mortgage at the time they are signed or after this Mortgage is recorded.

14. EXERCISING REMEDIES. Merrill Lynch may exercise all of the rights and remedies provided in this Mortgage and in the Agreement, or which may be available to Merrill Lynch by law, and any of these rights and remedies may be exercised individually, or they may be exercised together, at Merrill Lynch's sole discretion, and may be exercised as often as the right to do so occurs.

15. POSSIBLE ACTIONS.

Merrill Lynch has the right under certain circumstances specified in the Credit Documents to (a) automatically terminate the Account and require repayment of any amounts outstanding under the Account, plus the entire accrued interest, and other charges imposed on the Account, (b) prohibit additional extensions of credit without requiring accelerated payment of the amounts outstanding under the Account ("freeze" the Account) or (c) reduce the credit limit on the Account.

(a) NOTICE. Merrill Lynch will have the right to terminate, temporarily or permanently freeze, or reduce the credit limit in the Account immediately upon Merrill Lynch giving notice to us and to the persons who sign the Agreement (*see paragraph 11 above*) of one of the events listed in paragraph 15(b) below. Paragraph 15(c) specifies additional circumstances under which Merrill Lynch may temporarily freeze or reduce the credit limit in the Account. Actions under paragraph 15(c) need not be preceded by the notice specified in this subparagraph.

(b) TERMINATION AND ACCELERATION. Merrill Lynch can terminate the Account and demand repayment of the entire outstanding balance in advance of the original term if:

- (A) The persons who sign the Agreement fail to meet the repayment terms under the Credit Documents; except that, under this subparagraph only, there is a thirty (30) day grace period within which Merrill Lynch will not terminate the account and which begins to run on the day after the notice is given and expires at 11:59 p.m. Eastern time on the last day of the period; or
- (B) Merrill Lynch receives actual knowledge that the persons who sign the Agreement have intentionally (i) omitted material information from, or in connection with, their credit application, (ii) made any material statements that are false or misleading on, or in connection with, their credit application, (iii) committed any fraud or made any material misrepresentation in connection with the Account; or
- (C) Without the prior written consent of Merrill Lynch, (i) we, or any person who signs the Agreement, agree to sell, transfer or assign the Property or any interest in the Property; or (ii) the Property or any interest in the Property is sold, transferred or assigned; or
- (D) We or any person who signs the Agreement fails to maintain insurance on the dwelling as required under paragraphs 4 and 6 of the Mortgage; or
- (E) We or any person who signs the Agreement commits waste or permits impairment or deterioration of the Property, or otherwise destructively uses the Property, such that Merrill Lynch's security is adversely affected; or
- (F) We or any person who signs the Agreement fails to pay taxes on the Property or takes some other action that results in the filing of a lien senior to that of Merrill Lynch which adversely affects Merrill Lynch's security; or
- (G) A judgment against us is filed, if the amount of the judgment and the collateral subject to the judgment is such that Merrill Lynch's security in the Property is adversely affected; or
- (H) Any action or inaction by us or any person signing the Agreement is taken that adversely affects Merrill Lynch's security for the Account or any right of Merrill Lynch in such security.

As an alternative remedy, and only if Merrill Lynch expressly states in the notice given under this paragraph, Merrill Lynch may temporarily or permanently freeze the Account or reduce the credit limit for the Account. If Merrill Lynch does not immediately terminate the Account and accelerate payment or take other action provided for in the Credit Documents, it has the right to take any of the permitted actions at a later time providing the condition allowing for termination of the Account and acceleration of payment still exists at that time.

In addition, despite any other terms of the Credit Documents, Merrill Lynch may freeze the Account immediately upon the occurrence of any violation or other event specified in this paragraph. Merrill Lynch can take this action without giving us notice and without declaring that the violation or other event allows Merrill Lynch to terminate the Account and accelerate payment.

If Merrill Lynch terminates the Account, the amounts outstanding under the Account and any other amounts outstanding under the Credit Documents are immediately due and payable in full and we will be required to immediately repay such amounts plus the entire accrued interest, and other charges imposed on the Account. If we do not do so, Merrill Lynch will have the right to invoke any remedy given it by any of the Credit Documents, or any other remedy available to Merrill Lynch under applicable law. This includes, without limitation, instituting foreclosure proceedings under this Mortgage.

If Merrill Lynch terminates or permanently freezes the Account, pursuant to this paragraph, all credit card(s) and unused checks obtained in connection with the Account must be immediately mailed to Merrill Lynch at the address specified on our most recent billing statement. In any event, once Merrill Lynch freezes or terminates the Account under this paragraph, the persons who sign the Agreement will no longer have any right to obtain additional advances under the Account.

Merrill Lynch shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees and the entire accrued interest, and other charges imposed on the Account. In the case of a foreclosure sale, the Property may be sold in one parcel.

(c) TEMPORARY FREEZING OF THE ACCOUNT OR REDUCTION IN CREDIT LIMIT. Merrill Lynch can (a) freeze the Account; or (b) reduce the credit limit available to persons signing the Agreement during any period in which:

- (1) the value of the Property declines significantly below its appraised value for purposes of the Account; or
- (2) Merrill Lynch reasonably believes that we or any person who signs the Agreement will be unable to fulfill the repayment obligations under the Account because of a material change in our financial circumstances or the financial circumstances of any person who signs the Agreement; or

- (3) we or any person who signs the Agreement is in default of any material obligation under the Agreement; or
- (4) government action prevents Merrill Lynch from imposing the annual percentage rate set forth in the Agreement; or
- (5) government action impairs Merrill Lynch's security interest in the Property to the extent that the value of the security interest is less than 120 percent of the credit line; or
- (6) a federal or state regulatory agency notifies Merrill Lynch that continued advances would constitute an unsafe and unsound practice; or
- (7) the annual percentage rate reaches the maximum allowed under the Agreement.

Merrill Lynch need not reinstate credit privileges or increase the credit limit available unless we request such reinstatement and, after investigation, Merrill Lynch determines that the condition no longer exists.

If Merrill Lynch temporarily freezes the Account or reduces our credit limit, we will not be obligated to repay the amounts outstanding under the Account until the date such amounts are due, as specified in the Agreement.

If Merrill Lynch temporarily freezes the Account, pursuant to this paragraph, Merrill Lynch may, but is not required to, notify us that all credit card(s) and unused checks obtained in connection with the Account must be immediately mailed to Merrill Lynch at the address specified on our most recent billing statement. If Merrill Lynch exercises this option, and credit privileges are later reinstated, Merrill Lynch will issue checks and/or card(s) in accordance with the procedures described in paragraph 5. In any event, once Merrill Lynch temporarily freezes the Account under this paragraph, the persons who sign the Agreement will no longer have any right to obtain additional advances under the Account until credit privileges are reinstated.

IN THE EVENT THIS MORTGAGE SHALL BE SUBJECT TO FORECLOSURE AND MAY BE FORECLOSED AS NOW PROVIDED BY LAW IN CASE OF PAST DUE MORTGAGES; AND MERRILL LYNCH SHALL BE AUTHORIZED TO TAKE POSSESSION OF THE PREMISES HEREBY CONVEYED, AND AFTER GIVING TWENTY-ONE (21) DAYS' NOTICE BY PUBLICATION ONCE A WEEK FOR THREE (3) CONSECUTIVE WEEKS, OF THE TIME, PLACE AND TERMS OF SALE, BY PUBLICATION IN SOME NEWSPAPER PUBLISHED IN THE COUNTY WHEREIN SAID PROPERTY IS LOCATED, TO SELL THE SAME IN FRONT OF THE COURTHOUSE DOOR OF THE COUNTY WHEREIN SAID PROPERTY IS LOCATED, AT PUBLIC OUTCRY, TO THE HIGHEST BIDDER FOR CASH, AND TO APPLY THE PROCEEDS OF SAID SALE: FIRST, TO THE EXPENSE OF ADVERTISING, SELLING AND CONVEYING, INCLUDING A REASONABLE ATTORNEY'S FEE; SECOND, TO THE PAYMENT OF THE ENTIRE ACCRUED INTEREST AND OTHER CHARGES IMPOSED ON THE ACCOUNT, INCLUDING, BUT NOT LIMITED TO, ANY AMOUNTS THAT MERRILL LYNCH MAY HAVE EXPENDED OR THAT MAY BE NECESSARY TO EXPEND, IN PAYING INSURANCE, TAXES AND OTHER ENCUMBRANCES, WITH INTEREST THEREON; THIRD, THE AMOUNTS OUTSTANDING UNDER THE CREDIT DOCUMENTS; AND, FOURTH, THE BALANCE, IF ANY, TO BE TURNED OVER TO THE PERSON OR PERSONS LEGALLY ENTITLED TO IT. WE FURTHER AGREE THAT MERRILL LYNCH MAY BID AT ANY SALE HAD UNDER THE TERMS OF THIS MORTGAGE, AND PURCHASE SAID PROPERTY, IF THE HIGHEST BIDDER THEREFOR; AND WE FURTHER AGREE TO PAY A REASONABLE ATTORNEY'S FEE TO MERRILL LYNCH FOR THE FORECLOSURE OF THIS MORTGAGE, EITHER UNDER THE POWER OF SALE CONTAINED HEREIN, OR BY VIRTUE OF THE DECREE OF ANY COURT OF COMPETENT JURISDICTION, SAID FEE TO BE A PART OF THE INDEBTEDNESS HEREBY SECURED, AND THE PURCHASER AT ANY SUCH SALE SHALL BE UNDER NO OBLIGATION TO SEE TO THE PROPER APPLICATION OF THE PURCHASE MONEY. IN THE EVENT OF A SALE HEREUNDER, MERRILL LYNCH, OR THE OWNER OF THE DEBT AND MORTGAGE, OR AUCTIONEER, SHALL EXECUTE TO THE PURCHASER FOR AND IN OUR NAME A GOOD AND SUFFICIENT DEED TO THE PROPERTY SOLD.

16. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. As additional security, we hereby assign to Merrill Lynch the rents of the Property, provided that prior to acceleration under paragraph 15 above or the occurrence of a default or abandonment of the Property, we shall have the right to collect and retain such rents as they become due and payable. In any action to foreclose this Mortgage, Merrill Lynch shall be entitled to the appointment of a receiver.

Upon acceleration under paragraph 15 above, or abandonment of the Property, Merrill Lynch, at any time and without notice, in person, by agent or by judicially-appointed receiver, and without regard to or proof of either (a) depreciation of the value of the Property or (b) the insolvency of any person who signs the Agreement or (c) the value of the Property or (d) the adequacy of any security for the indebtedness secured by this Mortgage, shall be entitled to enter upon, take possession of, and manage the Property, and in its own name sue for or collect the rents of the Property, including those past due.

All rents collected by Merrill Lynch or the receiver shall be applied first to payment of the costs of operation and management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Merrill Lynch and the receiver shall be liable to account only for those rents actually received.

The entering upon and taking possession of the Property and the collection and application of the rents shall not cure or waive any default or notice of a violation under this Mortgage or invalidate any act done pursuant to such notice.

We will not, without the written consent of Merrill Lynch, receive or collect rent from any tenant of all, or any part of, the Property for a period of more than one month in advance, and in the event of any default under this Mortgage will pay

monthly in advance to Merrill Lynch, or to any receiver appointed to collect said rents, issues and profits, the fair and reasonable rental value for the use and occupation of the Property or that part of the Property in our possession, and upon default in any such payment will vacate and surrender the possession of the Property to Merrill Lynch or to such receiver, and may be evicted by summary proceedings.

17. SATISFACTION. Upon payment and discharge of all sums secured by this Mortgage and termination of the Account, this Mortgage shall become null and void and Merrill Lynch shall satisfy this Mortgage without charge to us. We shall pay all costs of recordation, if any.

18. REQUEST FOR NOTICES. Merrill Lynch requests that copies of notices of default, sale and foreclosure from the holder of any lien which has priority over this Mortgage be sent to Merrill Lynch at P.O. Box 45151, Jacksonville, FL 32232.

19. INCORPORATION OF TERMS. All of the terms, conditions and provisions of the Agreement are incorporated by this reference into this Mortgage as if included in this Mortgage itself.

20. TIME OF ESSENCE. Time is of the essence in this Mortgage, and the Agreement.

21. ACTUAL KNOWLEDGE. For purposes of this Mortgage and the Agreement, Merrill Lynch does not receive actual knowledge of information required to be conveyed to Merrill Lynch in writing by us until the date of actual receipt of such information at the address for notices specified in paragraph 11 above. Such date shall be conclusively determined by reference to the return receipt in our possession. If such return receipt is not available, such date shall be conclusively determined by reference to the "Received" date stamped on such written notice by Merrill Lynch or Merrill Lynch's agent. With regard to other events or information not provided by us under the Credit Documents, Merrill Lynch will be deemed to have actual knowledge of such event or information as of the date Merrill Lynch receives a written notice of such event or information from a source Merrill Lynch reasonably believes to be reliable, including but not limited to, a court or other governmental agency, institutional lender, or title company. The actual date of receipt shall be determined by reference to the "Received" date stamped on such written notice by Merrill Lynch or Merrill Lynch's agent.

22. TAXES. If the laws now in force for the taxation of mortgages, or the debts they secure, or the manner of operation of such taxes, change in any way after the date of this Mortgage so as to affect the interest of Merrill Lynch, then we shall pay the full amount of such taxes.

23. EXPENSE OF LITIGATION. In any suit or other proceeding to foreclose the lien of this Mortgage or enforce any other remedy of Merrill Lynch under the Credit Documents there shall be allowed and included, to the extent permitted by law, as additional indebtedness in the judgment or decree, all court costs and out-of-pocket disbursements and all expenditures and expenses which may be paid or incurred by Merrill Lynch or on Merrill Lynch's behalf for attorneys' fees, appraisers' fees, outlay for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Merrill Lynch may consider reasonably necessary to either prosecute or defend such suit or other proceeding or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or value of the Property. All such expenditures and expenses, and those that may be incurred in the protection of the Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Merrill Lynch in any litigation or proceeding affecting this Mortgage, the Agreement or the Property or in preparation for the commencement or defense of any proceedings or threatened suit or proceeding, shall be immediately due and payable by us, with interest at the interest rate payable under the Agreement.

24. WRITTEN STATEMENTS. Within five (5) calendar days upon request in person or within ten (10) calendar days upon request by mail, Merrill Lynch will furnish a duly acknowledged written statement of the amount due on this Mortgage and whether any offsets or defenses exist against the debt secured by this Mortgage.

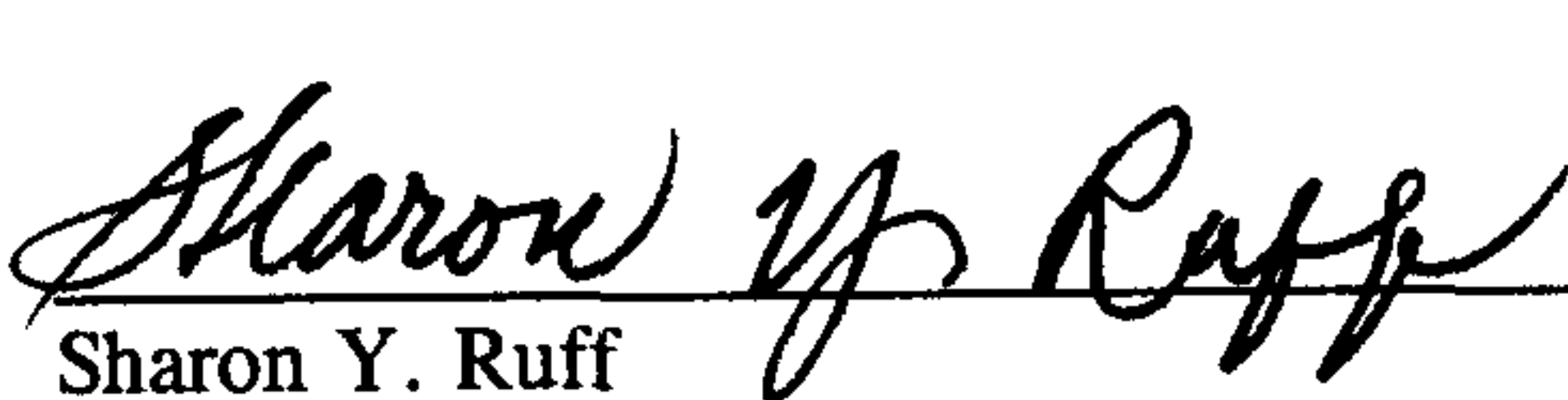
(THIS SPACE INTENTIONALLY LEFT BLANK)

By signing this Mortgage, we agree to all of the above.



William D. Ruff
MORTGAGOR

MORTGAGOR



Sharon Y. Ruff
MORTGAGOR

MORTGAGOR

(THIS SPACE INTENTIONALLY LEFT BLANK)

STATE OF ALABAMA)
)
) ss.
COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that William D. Ruff, whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 16th day of Dec., 2002


Notary Public Jeff W. Parmer
My Commission expires: 9/27/2004

STATE OF ALABAMA)
)
) ss.
COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that Sharon Y. Ruff, whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 16th day of Dec., 2002


Notary Public Jeff W. Parmer
My Commission expires: 9/27/2004

STATE OF ALABAMA)
)
) ss.
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____, whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this _____ day of _____

Notary Public
My Commission expires: _____

STATE OF ALABAMA)
)
) ss.
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County, in said state, hereby certify that _____, whose name(s) is/are known to me acknowledged before me on this day that being informed of the contents of the conveyance (s)he/they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this _____ day of _____

Notary Public
My Commission expires: _____

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 16th day of December, 2002 and is incorporated into and shall be deemed to amend and supplement a Mortgage, Deed of Trust, Deed of Trust and Assignment of Rents or Deed to Secure Debt (*herein "security instrument"*) dated of even date herewith, as it may be renewed or extended, given by the undersigned (*herein referred to as "we", "us" and "our"*) to secure the obligations referred to in the security instrument, including, without limitation, our Equity Access® credit account with Merrill Lynch Credit Corporation (*herein referred to as "Merrill Lynch"*), and covering the Property described in the security instrument and located at 5012 Eagle Crest Rd Birmingham, Alabama 35242.

The Property comprises a parcel of land with a dwelling, which, together with other such parcels and certain common areas and facilities, all as described in those certain covenants and restrictions (and amendments thereto) recorded in the public/land records pertaining to the Property (*herein collectively the "Declaration"*), forms a planned unit development (*herein "PUD"*).

PLANNED UNIT DEVELOPMENT COVENANTS. In addition to the covenants and agreements made in the security instrument, we and Merrill Lynch further covenant and agree as follows:

A. PUD Obligations. We shall perform all of our obligations under applicable law and the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document required to establish the homeowners association or equivalent entity managing the common areas and facilities of the PUD (*herein "Owners Association"*); and (iii) by-laws, if any, or other rules or regulations of the Owners Association. We shall, without limiting the generality of the foregoing, promptly pay, when due, all assessments imposed by the Owners Association.

B. Hazard Insurance. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the common areas and facilities of the PUD, any such proceeds payable to us are hereby assigned and shall be paid to Merrill Lynch for application to the sums secured by the security instrument, with the excess, if any, paid to us.

C. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to us in connection with any condemnation or other taking of all or any part of the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Merrill Lynch. Such proceeds shall be applied by Merrill Lynch to the sums secured by the security instrument in the manner provided under the security instrument.

D. Merrill Lynch's Prior Consent. We shall not, except after notice to Merrill Lynch and with Merrill Lynch's prior written consent, consent to:

(i) the abandonment or termination of the PUD;

(ii) any amendment to the Declaration, trust instrument, articles of incorporation, by-laws of the Owners Association, or any equivalent constituent document of the PUD, including, but not limited to, any amendment which would change the percentage interests of the unit owners in the common areas and facilities of the PUD;

(iii) the effectuation of any decision by the Owners Association to terminate professional management and assume self-management of the PUD; or

(iv) the transfer, release, encumbrance, partition or subdivision of all or any part of the PUD's common areas and facilities, except as to the Owners Association's right to grant easements for utilities and similar or related purposes.

E. REMEDIES. IF WE BREACH OUR COVENANTS AND AGREEMENTS HEREUNDER, INCLUDING THE COVENANT TO PAY WHEN DUE PLANNED UNIT DEVELOPMENT ASSESSMENTS, THE BREACH WILL CONSTITUTE AN EVENT OF DEFAULT AND MERRILL LYNCH MAY INVOKE ANY REMEDIES PROVIDED UNDER THE SECURITY INSTRUMENT. WE GRANT AN IRREVOCABLE POWER OF ATTORNEY TO MERRILL LYNCH TO VOTE IN ITS DISCRETION ON ANY MATTER THAT MAY COME BEFORE THE MEMBERS OF THE OWNERS ASSOCIATION. MERRILL LYNCH SHALL HAVE THE RIGHT TO EXERCISE THIS POWER OF ATTORNEY ONLY AFTER DEFAULT BY US AND MAY DECLINE TO EXERCISE THE POWER, AS MERRILL LYNCH MAY SEE FIT.

IN WITNESS WHEREOF, we have executed this Deed of Trust.



William D. Ruff



Sharon Y. Ruff

Exhibit "A"

Lot 545 and the Northeast Eleven Feet of Lot 546, according to the Survey of Eagle Point, 5th Sector, as recorded in Map Book 18, Page 138, in the Probate Office of Shelby County, Alabama.