

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Karren Underwood 205-250-8400

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Najjar Denaburg, P.C.
2125 Morris Avenue
Birmingham, Alabama 35203

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
Weatherly Utility Services, L.L.C.

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
P.O. Box 43388 Birmingham AL 35243 USA

1d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any

[REDACTED] Limited liability co. Alabama ☒ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any

[REDACTED] ☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Bank of Alabama

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
2340 Woodcrest Place Birmingham AL 35209 USA

4. This FINANCING STATEMENT covers the following collateral:

The property described on Schedule "I" attached hereto and made a part hereof as if set out fully herein.

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

SCHEDULE "I"

TO

FINANCING STATEMENT (UCC-1)

Debtor/Mortgagor: Weatherly Utility Services, L.L.C.

Secured Party/Mortgagee: Bank of Alabama

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As security for the payment and performance of all Liabilities, the Bank shall have and is hereby granted a continuing lien on, a security interest in and a right of set-off against the following personal property, whether now owned or later acquired, and wherever located, and the proceeds therefrom:

- (a) all equipment and machinery, including power-driven machinery and equipment, and all furniture, fixtures, and improvements of every description, now owned or hereafter acquired and wherever located, together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith, including, but not limited to, retention ponds, pump stations, pipes and sewer lines;
- (b) all accounts of the Borrower, whether now or hereafter existing, created, arising or acquired, including, but not limited to, any and all impact and/or reservation fees, treatment fees, grinder pump station fees, or any and all other fees, service charges, assessments, or other income received from any source from the operation of the wastewater collection, treatment, and disposal facility;
- ©) all contracts and contract rights now existing or hereafter arising which are related to the operation of the wastewater collection, treatment, and disposal facility, reserving to Borrower, however, as long as Borrower is not in default, the right to receive the benefits of such contracts and said contract rights, including, but not limited to, that certain letter operating agreement dated March 2, 2000, and all related agreements, verbal or written, by and between Weatherly Utility Services, L.L.C. and Weatherly Partners, L.L.C., the Agreement for Operations and Maintenance Services dated January 1, 2004, between Weatherly Utility Services, L.L.C. and NOVUS Utility Services, Inc., and all licenses and permits.
- (d) all books and records now owned and hereafter acquired relating to any other Collateral and all files, correspondence, computer programs, tapes, disks and related data processing software owned by Borrower or in which Borrower has an interest that contains information concerning or relating to any of the other Collateral or any item thereof;
- (e) all additions, accessions and replacements pertaining to the above.
- (f) all Proceeds and products of all of the foregoing, including, without limitation, insurance proceeds.

ALSO the following (hereinafter "Mortgaged Property"):

- a) The land situated in Shelby County, Alabama and described on Exhibit "A" attached hereto and incorporated herein by this reference;
- b) Together with all buildings, equipment, machinery, structures, and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, fittings, buildings, materials, machinery, equipment, furniture and furnishings and personal property of every nature whatsoever

now or hereafter owned by the Mortgagor and used or intended to be used in connection with or with the operation of the Mortgaged Property, and the buildings, structures or other improvements located thereon, including all extensions, additions, improvements, betterments, renewals, substitutions, replacements and accessions to any of the foregoing, whether such fixtures, fittings, building materials, machinery, equipment, furniture, furnishings and personal property are actually located on or adjacent to the Land or not and whether in storage or otherwise wheresoever the same may be located;

- c) Together with all easements, rights of way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, licenses, rights, titles, interest, privileges, liberties, tenements, hereditaments, and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Mortgaged Property, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by the Mortgagor, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of the Mortgagor of, in and to the same, including but not limited to: i) all rents, royalties, profits, issues and revenues of the Mortgaged Property from time to time accruing, whether under leases or tenancies now existing or hereafter created; and ii) all judgments, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Mortgaged Property or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Mortgaged Property or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including any award for change of grade of streets. Mortgagee is hereby authorized on behalf of and in the name of Mortgagor to execute and deliver valid acquittance for, and appeal from, any such judgments or awards. Mortgagee may apply all such sums or any part thereof so received, after the payment of all its expenses, including costs and attorney's fees, on any of the indebtedness secured hereby in such manner as it elects or, at its option, the entire amount or any part thereof so received may be released;
- d) Together with all contract and contract rights now existing or hereafter arising which are related to the operation of the property described in Exhibit "A", reserving to Borrower, however, as long as Borrower is not in default, the right to receive the benefits of such contracts and said contract rights.
- e) Together with all leases, written or oral, and all agreements for use or occupancy of any portion of the Mortgaged Property with respect to which the Mortgagor is the lessor, any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Mortgaged Property (all such leases, subleases, agreements and tenancies heretofore mentioned, being hereinafter collectively referred to as the "Leases");
- f) Together with any and all guaranties of the lessees' and any sublessees' performance under any of the Leases;
- g) Together with the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which the Mortgagor may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand or claim, arising or issuing from or out of the Leases or from or out of the Mortgaged Property or any part thereof, including, but not limited to, minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Mortgaged Property, together with any and all rights and claims of any kind that the Mortgagor may have against any such lessee under the Leases or against any subtenants or occupants of the Mortgaged Property (all such moneys, rights and claims in this paragraph described being hereinafter referred to

as the "Rents"); provided, however, so long as no Event of Default has occurred, the Mortgagor shall have the right under a license granted hereby to collect, receive and retain the Rents (but not prior to accrual thereof);

- h) Together with any award, dividend or other payment made hereafter to the Mortgagor in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. Mortgagor hereby appoints the Mortgagee as the Mortgagor's irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend, or other payment;
- i) Together with any awards hereafter made for any taking of or injury to said Mortgaged Property through eminent domain or otherwise, including awards or damages for change of grade, and also any return premiums or other payments upon any insurance at any time provided for the benefits of Mortgagee, all of which awards, damages, premiums, and payments are hereby assigned to Mortgagee and may be at any time collected by it; and
- j) All cash and non-cash proceeds and all products of any of the foregoing items or types of property described above, including, but not limited to, all insurance, contract and tort proceeds and claims.

EXHIBIT “A”

Legal Description of Real Property

EXHIBIT "A"

Part of Section 31 and Section 32, Township 20 South, Range 2 West, Shelby County, Alabama, being more particularly described as follows:

Beginning at an existing 3" open top pipe being the locally accepted Southeast corner of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 32, Township 20 South, Range 2 West, Shelby County, Alabama, run in a Westerly direction along the South line of said SW $\frac{1}{4}$ of NW $\frac{1}{4}$ for a distance of 1338.58 feet to an existing open top iron pipe being the locally accepted Southwest corner of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 32; thence turn an angle to the left of $91^{\circ}47'05''$ and run in a Southerly direction for a distance of 140.25 feet to an existing iron rebar; thence turn an angle to the right of $91^{\circ}59'56''$ and run in a Westerly direction for a distance of 99.28 feet to a point on a curve, said curve being concave in a Southeasterly direction and having a central angle of $49^{\circ}38'38''$ and a radius of 639.13 feet; thence turn an angle to the right (90° to tangent) and run in a Northerly and Northeasterly direction along the arc of said curve for a distance of 553.77 feet to a point of compound curve, said newest curve being concave in a Southeasterly direction and having a central angle of $20^{\circ}13'34''$ and a radius of 604.44 feet; thence turn an angle to the right and run in a Northeasterly direction along the arc of said curve for a distance of 213.37 feet to the point of ending of said curve; thence run in a Northeasterly direction along a line tangent to the end of said curve for a distance of 827.97 feet to the point of beginning of a new curve, said latest curve being concave in a Northwesterly direction and having a central angle of $19^{\circ}32'42''$ and a radius of 1440.28 feet; thence turn an angle to the left and run in a Northeasterly direction along the arc of said curve for a distance of 491.31 feet to the point of ending of said curve; thence run in a Northeasterly direction along a line tangent to the end of said curve for a distance of 508.82 feet to the point of beginning of another curve, said latest curve being concave in a Southeasterly direction and having a central angle of $14^{\circ}08'13''$ and a radius of 220.0 feet; thence turn an angle to the right and run in a Northeasterly direction along the arc of said curve for a distance of 54.28 feet; thence turn an angle to the right ($120^{\circ}42'39''$ from the chord of last mentioned curve) and run in a Southerly direction for a distance of 1331.55 feet to an existing 3" open top iron pipe; thence turn an angle to the right of $91^{\circ}55'43''$ and run in a Westerly direction along the South line of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 32 for a distance of 658.21 feet, more or less, to the point of beginning.

Less and except any part of subject property lying within a road right of way.