

This Instrument Prepared by:

Robert H. Sprain, Jr.

Sadler Sullivan, P.C.

✓ 2500 Southtrust Tower

Birmingham, Ala. 35203

State of Alabama)

County of Jefferson

NON-ENCUMBRANCE AGREEMENT

This Agreement is made and entered into by and between Southeastern Bible College, Inc., an Alabama non-profit corporation ("Borrower") and Regions Bank ("Lender") on this the 15th day of November, 2004, the terms and conditions of which are as follows:

Whereas, Lender has agreed to extend credit to Borrower for construction of improvements at Borrower's property as evidenced by a Note of even date (the "Loan"); and

Whereas, Borrower and Lender have executed a Loan Agreement and other Loan Documents, as described in the Loan Agreement, of even date; and

Whereas, the Property referenced herein is described in the Loan Agreement, and situated in Shelby County, Alabama, and is more particularly described in Exhibit A attached hereto and incorporated by reference herein (the "Property").

NOW, THEREFORE, in consideration of Lender's agreement to loan and extend credit to Borrower, and of other good and valuable consideration, the Borrower hereby irrevocably and unconditionally agrees and covenants that, so long as any credit extension under the Loan shall be available and until payment in full of the outstanding debt obligations under the Loan is made or for so long as Lender may have any commitment to make any advances under the Note or Loan Agreement, Borrower will not do any of the following:

1. Liens. Create, incur, assume, or suffer to exist any lien upon or with respect to the Property, except:

a) liens in favor of the Lender; or

b) liens for taxes or assessments or other government charges or levies if not yet due and payable; or, if due and payable, if they are being contested in good faith by appropriate proceedings and for which appropriate reserves are maintained.

JP
JS

2. Debt. Create, incur, assume, or permit to subsist any debt, including without limitation any mortgage, security interest, charge, pledge, lien, or other encumbrance on or to the Property, except that the following debt or encumbrance shall be allowed:

a) Debt of the Borrower under the Note and Loan Agreement or other loan arrangements with Lender; or

b) Accounts payable to trade creditors for goods or services which are not aged more than ninety (90) days from the billing date and current operating liabilities (other than for borrowed money) which are not more than sixty (60) days past due, in each case incurred in the ordinary course of business, as presently conducted, and paid within specified time, unless contested in good faith and by appropriate proceedings.

3. Transfers/Dispositions.

Convey, sell, lease, transfer or otherwise dispose of (collectively a "Transfer"), all or any part of its business or the Property, other than Transfers (i) of inventory in the ordinary course of business, (ii) of non-exclusive licenses and similar arrangements for the use of the property of Borrower in the ordinary course of business, (iii) Transfers of worn-out or obsolete equipment or equipment financed by other vendors, (iv) transfers which constitute liquidation of investments made in the ordinary course of business with the use of reasonable business judgment, and (v) other transfers not otherwise permitted by this section not exceeding One Hundred Thousand Dollars (\$100,000) in the aggregate in any fiscal year.

4. Changes in Business, Ownership, Management or Business Locations

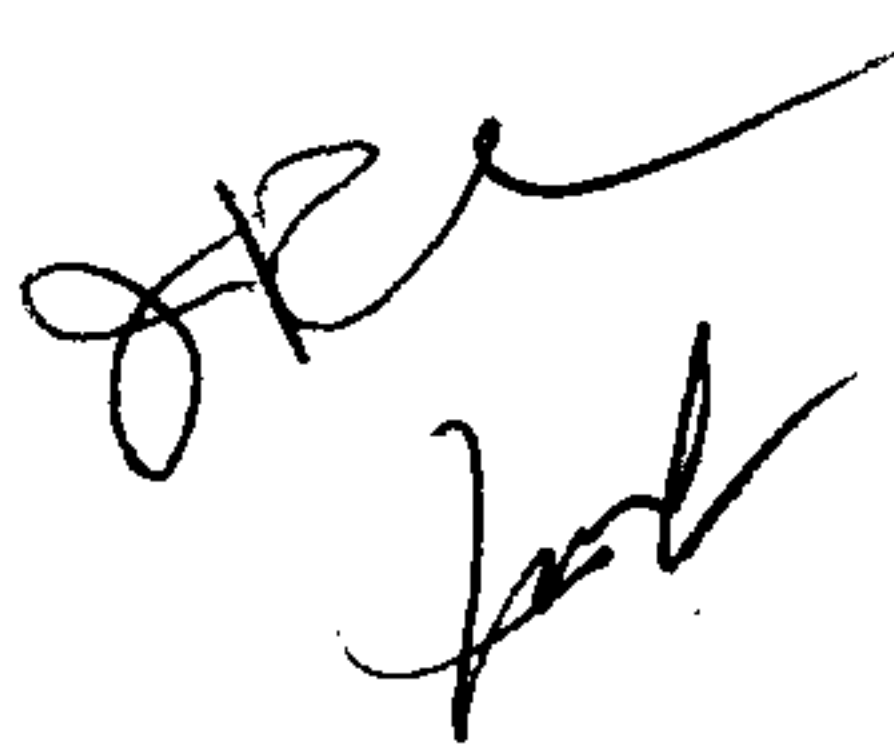
Engage in any business other than the business currently engaged in by Borrower and any business substantially similar or related thereto (or incidental thereto), or suffer a material change in Borrower's ownership.

5. Mergers or Acquisitions.

Without prior consent of Lender, merge or consolidate with or into any other business organization, or acquire all or substantially all of the capital stock, assets or property of another entity or organization.

6. Guarantees, Debt Obligations or Contracts

Grant, issue or extend any guarantee or indemnity or enter into any other

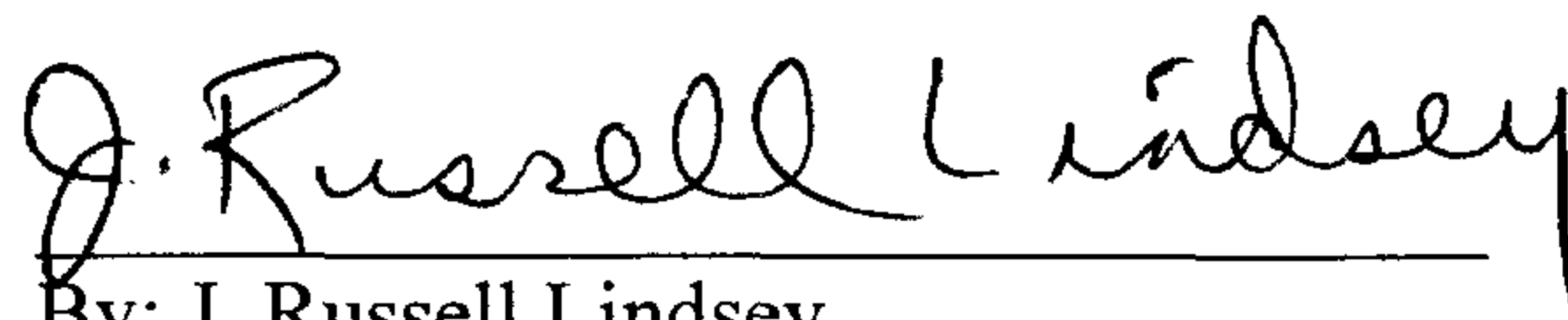
A handwritten signature in black ink, appearing to be "J. R. [unclear]", is located in the bottom right corner of the page.

form of contractual undertaking or arrangement of similar effect in respect of any indebtedness or obligations, actual or contingent, of any other person, organization or entity whatsoever except in the usual and ordinary course of business as now conducted by the Borrower and for the purpose of the carrying on by the Borrower of its business.

Borrower authorizes Lender in Lender's absolute discretion at any time and from time to time to notify any creditors of Borrower of the terms of the undertakings set out herein in the event that Lender receives notice of proposals which, if implemented, would or might be in breach of such undertakings.

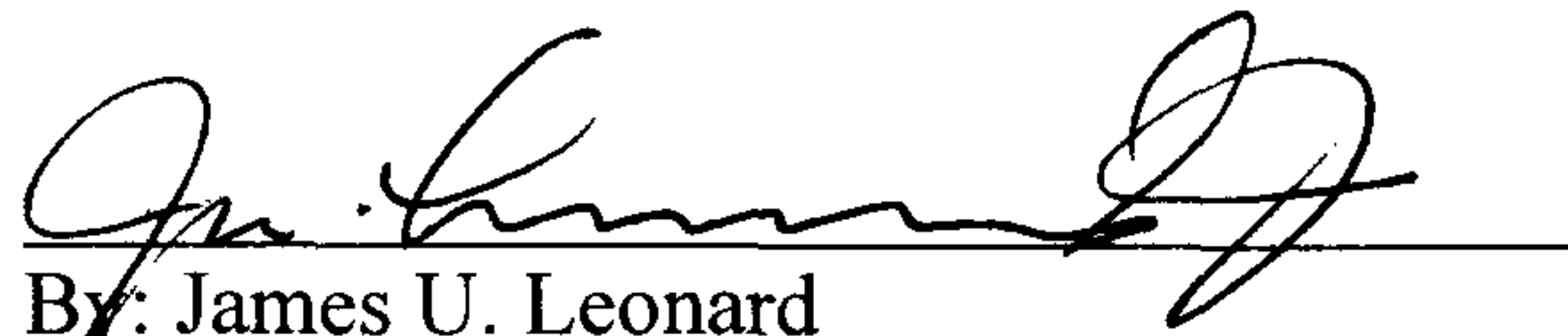
Any breach by Borrower of these aforementioned negative covenants and pledges shall constitute an Event of Default, as that term is defined in the Loan Agreement and other Loan Documents. An Event of Default by Borrower shall entitle Lender to any and all remedies available under said Loan Agreement, or the Loan Documents, or under applicable laws.

Southeastern Bible College, Inc., an
Alabama non-profit corporation.



By: J. Russell Lindsey

Its: Chairman of the Board of Trustees



By: James U. Leonard


Its: Secretary of the Board of Trustees

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that J. Russell Lindsey whose name as the Chairman of the Board of Trustees, of the Southeastern Bible College, Inc., an Alabama non-profit corporation, 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 the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 15 day of November, 2004.



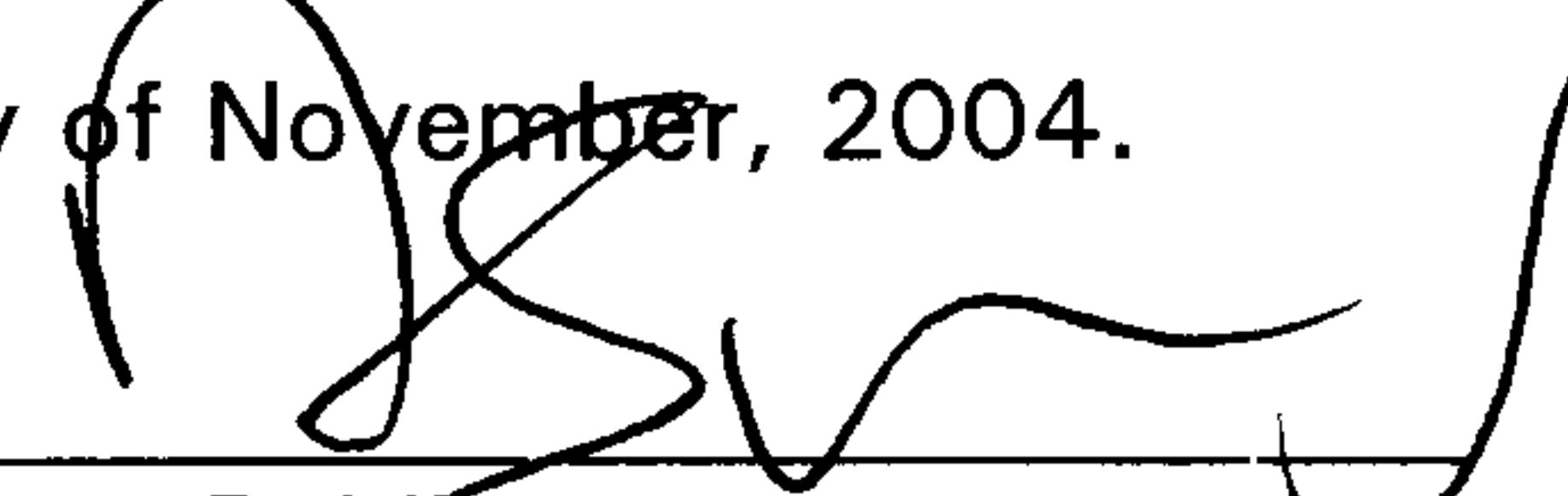


Notary Public
My commission expires: 6/29/05

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James U. Leonard whose name as the Secretary of the Board of Trustees, of the Southeastern Bible College, Inc., an Alabama non-profit corporation, 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 the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 11 day of November, 2004.



Notary Public
My commission expires: 6/29/05

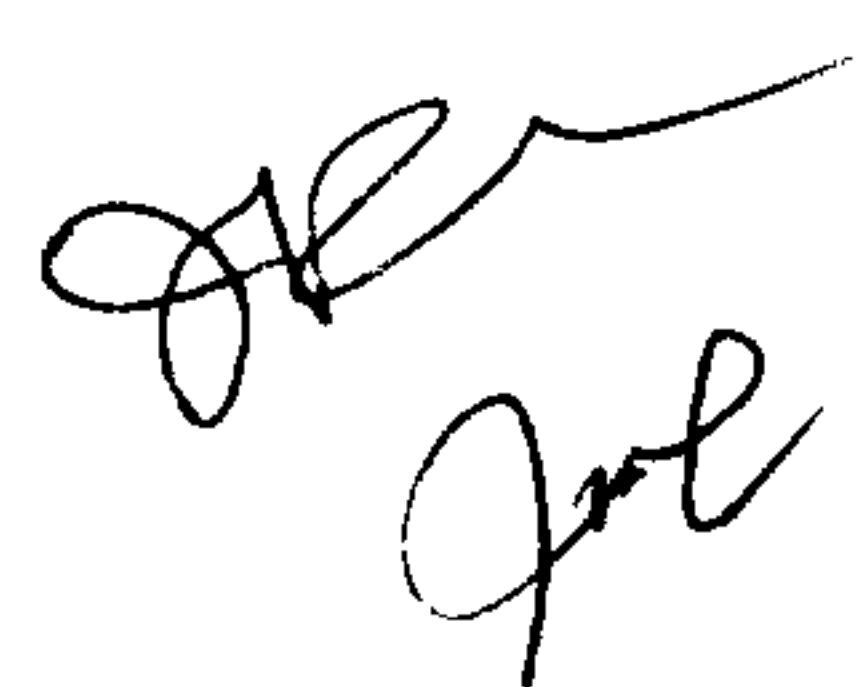


EXHIBIT "A"

Parcel 1

A part of the North $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the SE corner of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West; thence turn 44 deg. 09 min. left from the East line of said $\frac{1}{4}$ $\frac{1}{4}$ section and run Northwesterly 1148.31 feet; thence turn 91 deg. 00 min. left and run southwesterly 218.74 feet; thence turn 91 deg. 21 min. right and run Northwesterly 29.35 feet; thence turn 91 deg. 00 min. left and run Southwesterly 246.2 feet; thence turn 91 deg. 25 min. 30 sec. right and run northwesterly 253.59 feet to the point of beginning; thence turn 88 deg. 34 min. 30 sec. right and run Northeasterly 320.01 feet; thence turn 88 deg. 40 min. 42 sec. left and run northwesterly 196.12 feet; thence turn 65 deg. 16 min. 10 sec. left and run Southwesterly 351.53 feet; thence turn 114 deg. 37 min. 38 sec. left and run Southeasterly 350.57 feet to the point of beginning; being situated in Shelby County, Alabama.

Mineral and mining rights excepted.

A part of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

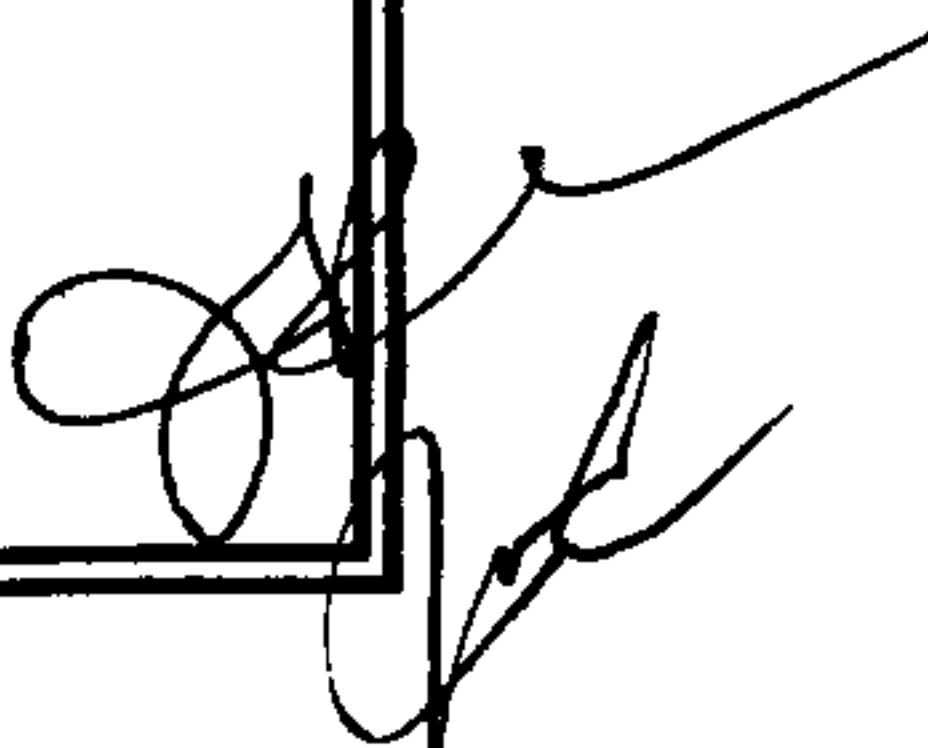
Commence at the SE corner of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said section; thence West along the South line of same a distance of 220.0 feet; thence 78 deg. 22 min. to the left in a Southerly direction a distance of 25.02 feet; thence 130 deg. 22 min. to the right in a Northwesterly direction a distance of 148.62 feet to the point of beginning of tract herein described; thence continue along the last name course a distance of 148.61 feet; thence 99 deg. 00 min. to the left in a Southwesterly direction a distance of 338.18 feet; thence 92 deg. 38 min. to the left in a Southeasterly direction a distance of 147.57 feet; thence 87 deg. 29 min. to the left in a Northeasterly direction a distance of 307.92 feet to the point of beginning; being situated in Shelby County, Alabama.

A part of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the NE corner of said $\frac{1}{4}$ $\frac{1}{4}$ section; thence West along the north line of same a distance of 408.09 feet; thence 91 deg. 25 min. to the left a distance of 418.40 feet; thence 12 deg. 01 min. to the left a distance of 293.30 feet; thence 45 deg. 37 min. to the left a distance of 150.0 feet; thence 100 deg. 10 min. to the right a distance of 202.29 feet; thence 98 deg. 21 min. to the left a distance of 57.89 feet; thence 90 deg. 00 min. to the right a distance of 30.0 feet to the point of beginning of tract herein described; thence 4 deg. 34 min. to the left a distance of 156.0 feet; thence 66 deg. 14 min. to the left a distance of 148.61 feet; thence 111 deg. 14 min. to the left a distance of 173.90 feet to the Southerly right of way line of a public road said point begin on a curve to the left having a central angle of 31 deg. 00 min., a radius of 368.63 feet; thence 76 deg. 27 min. 30 sec. to the left along the chord of said curve a distance of 147.09 feet to the point of beginning; being situated in Shelby County, Alabama.

A tract of land situated in the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the NW corner of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, and run Southeasterly along the diagonal line of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ a distance of 349.87 feet to the south side of Valley Dale Road; thence 115 deg. 07 min. to the right in a Southwesterly direction along said road a distance of 458.83 feet to a point of curve to the left having a radius of 908.22 feet and a central angle of 2 deg. 35 min. 50 sec. and run along the arc of said curve for a distance of 41.17 feet; thence 112 deg. 13 min. to the left of the tangent of said curve in a Southeasterly direction and parallel with the diagonal line of the



**SCHEDULE A – LEGAL DESCRIPTION
(Continued)**

NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ a distance of 756.66 feet to the point of beginning of tract herein described; thence continue along last described course for a measured distance of 204.0 feet (203.0 feet deed); thence right 88 deg. 50 min. measured (91 deg. 36 min. deed), and run southwesterly for a distance of 459.83 feet measured (453.45 feet deed); thence right 94 deg. 30 min. measured (85 deg. 52 min. deed) and run northwesterly along said road right of way for a distance of 203.56 feet; thence right 85 deg. 22 min. measured (96 deg. 43 min. deed) and run Northeasterly for a distance of 448.01 feet measured (443.37 feet deed) to the point of beginning; being situated in Shelby County, Alabama.

Part of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the Northeast corner of said $\frac{1}{4}$ $\frac{1}{4}$ section; thence West along the north line of same a distance of 408.09 feet; thence 91 deg. 25 min. to the left a distance of 418.40 feet; thence 12 deg. 01 min. to the left a distance of 293.30 feet; thence 45 min. 47 min. to the right a distance of 199.55 feet; thence 100 deg. 17 min. to the left a distance of 56.78 feet; thence 89 deg. 41 min. to the right a distance of 30.0 feet to the point of beginning of tract herein described; thence 2 deg. 27 min. to the left a distance of 156.0 feet; thence 90 deg. 57 min. to the right a distance of 271.12 feet to the Easterly right of way line of Valley Dale Road; thence 83 deg. 44 min. to the right along said right of way a distance of 184.50 feet to the Southerly right of way line of a public road; thence 88 deg. 05 min. to the right along said public road a distance of 257.80 feet to the point of beginning; being situated in Shelby County, Alabama.


Mineral and mining rights excepted.

A parcel of land situated in the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the Northwest corner of the NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West and run Southeasterly along diagonal line of the Northeast $\frac{1}{4}$ of Southeast $\frac{1}{4}$ for a distance of 349.87 feet to the South side of Valley Dale Road; thence 115 deg. 07 min. to the right in a Southwesterly direction along South line of said road for a distance of 458.83 feet to the point of a curve to the left having a radius of 908.22 feet; thence along the arc of said curve a distance of 41.17 feet to the point of beginning of this parcel of land belonging to VALLEY DALE BAPTIST CHURCH, from said point turn 112 deg. 13 min. to the left of the tangent of said curve in a southeasterly direction and parallel with the diagonal line of Northeast $\frac{1}{4}$ of Southwest $\frac{1}{4}$ a distance of 756.66 feet to a point; thence turn 94 deg. 11 min. to the right and run a distance of 443.37 feet to a point on the Easterly side of Public Road; thence turn 96 deg. 43 min. to the right and run northwesterly along Easterly line of said public road for a distance of 340.14 feet to a point; thence turn 90 deg. 00 min. to the left and run for a distance of 10 feet to a point; thence turn 90 deg. 00 min. to the right and continue along Easterly line of public road for a distance of 500 feet more or less to the intersection with the South side of Valley Dale Road; thence run Northeasterly along said South line of Valley Dale Road for a distance of 533.44 feet along curve to the right to the point of beginning; being situated in Shelby County, Alabama.

A part of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, Shelby County, Alabama, more particularly described as follows:

Commence at the NW corner of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19 South, Range 2 West, and run Southeasterly along diagonal line of the NE $\frac{1}{4}$ of SE $\frac{1}{4}$ for a distance of 349.87 feet to the South side of Valley Dale Road; thence 115 deg. 07 min. to the right in a Southwesterly direction along said South line of said road for a distance of 458.83 feet to the point of a curve to the left having a radius of 908.22 feet; thence along the arc of said curve a



**SCHEDULE A – LEGAL DESCRIPTION
(Continued)**

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Shelby Cnty Judge of Probate, AL
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distance of 604.61 feet to the point of beginning of parcel of land for Kindergarten House; said point being on the southwesterly line of Public Road; thence continue along South line of Valley Dale Road for a distance of 164.5 feet to a point; thence turn 93 deg. 44 min. to the left and run for a distance of 249 feet to a point; thence turn 92 deg. 57 min. to the left and run for a distance of 190 feet to a point on the Westerly line of public road; thence run northwesterly along said Westerly line of said public road for a distance of 257.8 feet to the point of beginning; being situated in Shelby County, Alabama.

Commence at the point of intersection of the Southwesterly right of way line of County Road No. 369 and the southeasterly right of way line of County Highway No. 17 (Valleydale Road); thence run southwesterly along the Southeast right of way line of said County Highway No. 17 a distance of 164.50 feet to the point of beginning; thence continue along the last described course a distance of 182.65 feet; thence turn left 82 deg. 35 min. 10 sec. and run Southeasterly a distance of 335.91 feet; thence turn right 81 deg. 43 min. 40 sec. and run Southwesterly a distance of 111.0 feet; thence turn left 81 deg. 06 min. 10 sec. and run Southeasterly a distance of 17.32 feet; thence turn left 87 deg. 03 min. and run northeasterly a distance of 360.66 feet; thence turn left 100 deg. 38 min. 15 sec. and run Northeasterly a distance of 150.0 feet; thence turn left 3 deg. 39 min. and continue Northwesterly a distance of 271.12 feet to the point of beginning; being situated in Shelby County, Alabama.

Parcel 2

A part of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 16, Township 19, Range 2 West and being more particularly described as follows:

Commence at the NE corner of said $\frac{1}{4}$ $\frac{1}{4}$ section; thence West along the North line of same a distance of 408.09 feet; thence 91 deg. 25 min. to the left in a Southerly direction a distance of 418.40 feet; thence 12 deg. 01 min. to the left a distance of 293.30 feet; thence 45 deg. 37 min. to the left a distance of 150.0 feet; thence 100 deg. 10 min. to the right a distance of 202.29 feet; thence 98 deg. 21 min. to the left a distance of 57.89 feet; thence 90 deg. 00 min. to the right a distance of 156.0 feet; thence 66 deg. 14 min. to the left a distance of 148.61 feet to the point of beginning of tract herein described as follows: thence continue along the last named course a distance of 148.62 feet; thence 113 deg. 46 min. to the left a distance of 156.0 feet to the Westerly line of a public road said point begin on a curve to the right having a central angle of 23 deg. 46 min. a radius of 627.89 feet; thence along the arc of said curve a distance of 101.53 feet to the point of another curve to the left having a central angle of 31 deg. 0 min. a radius of 368.63 feet; thence along the arc of said curve a distance of 48.47 feet; thence 115 deg. 30 min. to the left of said curve a distance of 173.90 feet to the point of beginning; being situated in Shelby County, Alabama.