

STATE OF ALABAMA
COUNTY OF SHELBY

Loan CDC-8764863006-BIR

SUBORDINATION AGREEMENT

THIS AGREEMENT is effective this 27 day of September, 2006 (hereinafter the "Agreement") and is by and among **WACHOVIA BANK**, National Association (hereinafter "Lender") and the **U.S. Small Business Administration** (hereinafter "SBA").

WHEREAS, GUNTER OIL COMPANY, INC. (formerly known as MICHAEL L. GUNTER ENTERPRISES, INC.) (hereinafter "Borrower") is presently indebted to the SBA an agency and instrumentality of the United States of America, as evidenced by that certain Promissory Note executed on the 29th day of January, 1997, payable to BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY and assigned to SBA in the original principal amount of \$567,000.00; and

WHEREAS, said Note is secured, among other things, by that certain Mortgage dated the same date as the Note, and recorded in the Office of the Judge of Probate of Shelby County, Alabama, as Instrument No. 1997-04168 (hereinafter collectively the "SBA Mortgage") and assigned to SBA by instrument recorded as Instrument No. 1997-04170; and

WHEREAS, said Borrower is desirous of obtaining a loan in the amount of not more than \$235,733.00 from Lender their successors or assigns, as their interest may appear, for the purpose of paying off the existing first mortgage on the property more fully described on Exhibit "A" attached hereto and made a part hereof and retiring an existing line of credit; and

WHEREAS, Lender requires the Borrower to secure said new loan with a new Mortgage on the real estate described in the SBA Mortgage, more fully described in Exhibit "A" attached hereto and made a part hereof.

NOW THEREFORE, in and for good and valuable consideration, and in order to induce said Lender to make said loan to Borrower, SBA does hereby subordinate the lien of the SBA Mortgage and their interest in said SBA Mortgage to the lien of the new Mortgage to Lender and Lender's interest in the new Mortgage, such that SBA is second and subservient to the new Mortgage being granted to Lender.

IT IS EXPRESSLY AGREED AND UNDERSTOOD that neither this Subordination Agreement nor anything contained herein shall in any wise alter or affect the validity of the SBA Mortgage, or the lien of the items so subordinated herein, or any of the other collateral securing the indebtedness to the SBA.

IT IS FURTHER EXPRESSLY AGREED AND UNDERSTOOD that this Subordination is to extend only to the amount of the current loan made to the Borrowers, for the purpose or purposes expressly set forth herein; and will not be valid for or extend to any future advances by Lenders to Borrowers, on the note evidencing Lender's loan. This clause, however is NOT intended to prevent or inhibit advances by Lender for expenses incidental to the preservation

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of its collateral, protection of its security interest, collection of its debt, and/or the like.

Lender agrees that in the event of a default in Borrower's obligations to Lender, then Lender will endeavor to give to SBA and BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY (hereinafter "CDC") notice of such default within thirty (30) days from such default having occurred, if same has not been cured by the Borrower during such period. In the event Lender elects to foreclose the mortgage to Lender, then Lender shall give to SBA and CDC notice of such foreclosure sale sixty (60) days prior to its occurrence.

IN WITNESS WHEREOF, the Lender and SBA has caused this Subordination Agreement to be executed effective as of the date first above written.

LENDER: **WACHOVIA BANK, National Association**

BY: [Signature]
(Its Vice President)

SBA: **U.S. SMALL BUSINESS ADMINISTRATION**

By: [Signature]
(Its SLO)

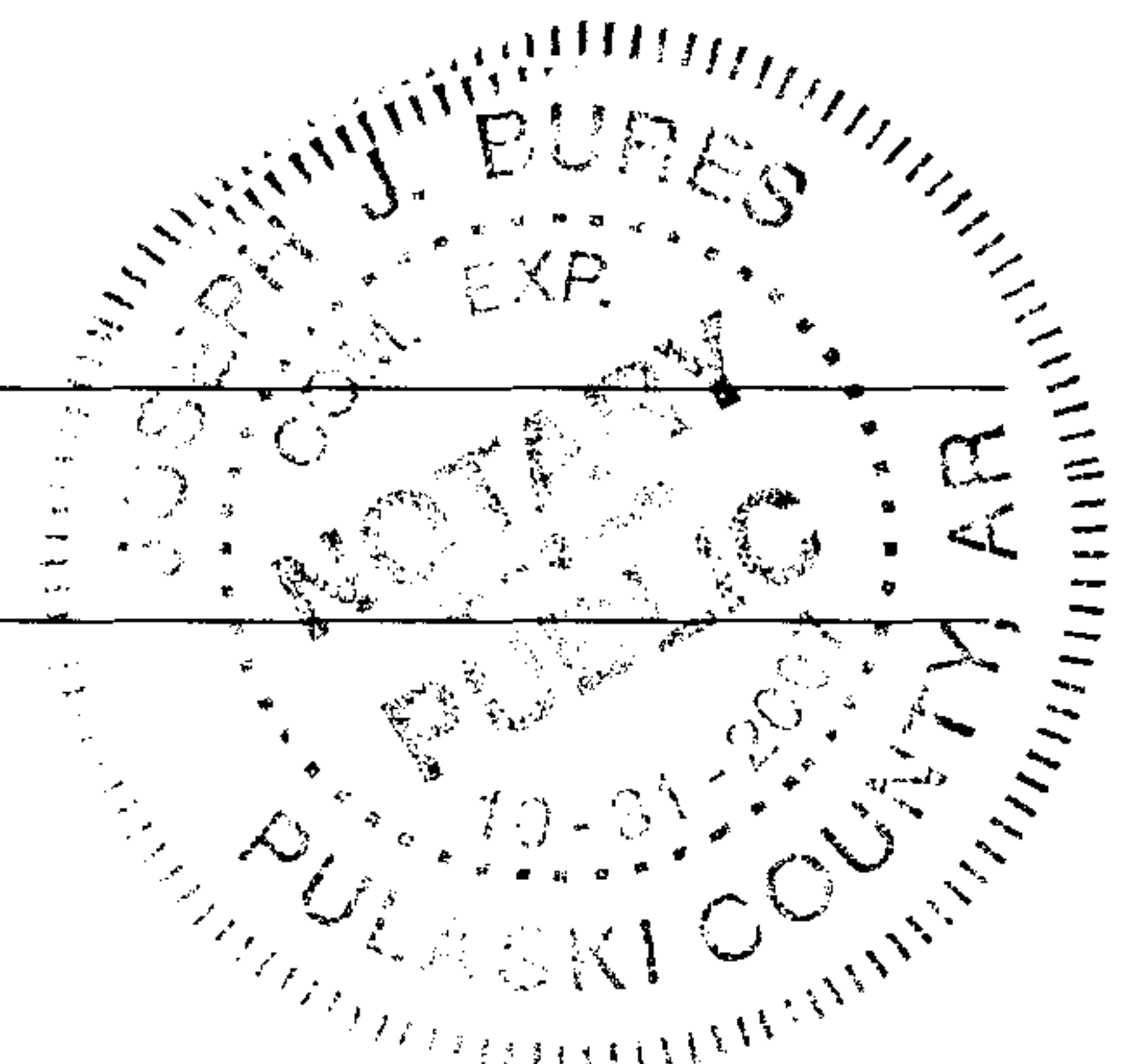
STATE OF ARKANSAS
COUNTY OF PULASKI

ACKNOWLEDGEMENT OF SBA

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Wayne Reid whose name as SLO of **The SMALL BUSINESS ADMINISTRATION**, a agency of the United States Government, 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/she, as such officer and with full authority, executed the same voluntarily for and as the act of said Small Business Administration.

Given under my hand and seal of office this 22 day of September, 2006.

[Signature]
Notary Public
My Commission Expires: _____



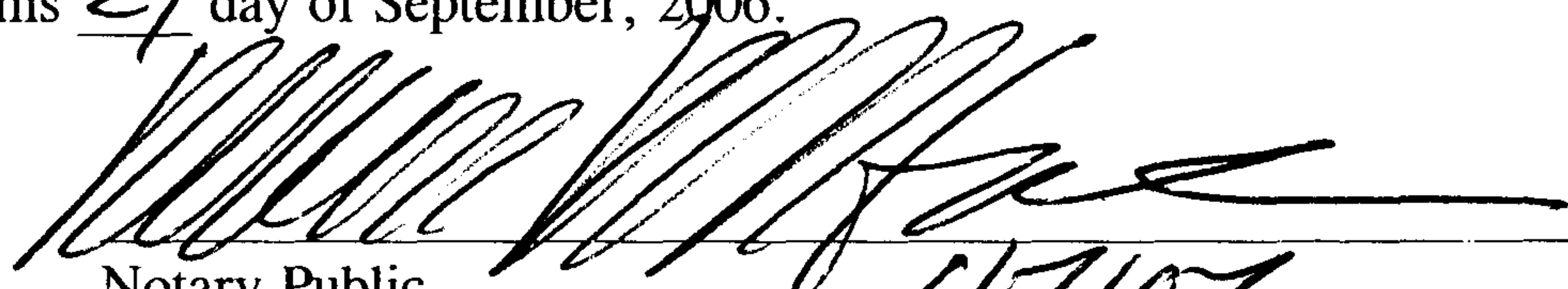
20061002000484890 2/4 \$20.00
Shelby Cnty Judge of Probate, AL
10/02/2006 08:15:57AM FILED/CERT

STATE OF ALABAMA
COUNTY OF JEFFERSON

ACKNOWLEDGMENT OF LENDER

I, the undersigned Notary Public in and for said County in said State, hereby certify that David Bolongaro, whose name as Vice President of WACHOVIA BANK, National Association 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, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this 27 day of September, 2006.


Notary Public
My Commission Expires: 6/7/07

BORROWER'S AND GUARANTOR'S ACCEPTANCE

Borrower and Borrower's guarantors hereby acknowledges receipt of, notice of, consents to, and agrees to be bound by the terms and provisions of the within and foregoing Subordination Agreement as they relate to the relative rights and priorities of Lender and SBA; provided, however, that nothing in the foregoing Subordination Agreement shall amend, modify, change or supersede the respective terms of the documentation and agreements between either Borrower or Borrower's guarantors and Lender and/or Borrower or Borrower's guarantors and SBA.

**GUNTER OIL COMPANY, INC. (formerly known as
MICHAEL L. GUNTER ENTERPRISES, INC.)**

BY: Michael L. Gunter

Michael L. Gunter (Its President)

Michael L. Gunter

(individually)

Angela S. Gunter

(individually)

THIS INSTRUMENT PREPARED BY AND AFTER
RECORDATION SHOULD BE RETURNED TO
William B. Hairston III
Engel Hairston and Johanson P.C.
P.O. Box 11405,
Birmingham, Alabama, 35202
(205) 328-4600



20061002000484890 3/4 \$20.00
Shelby Cnty Judge of Probate, AL
10/02/2006 08:15:57AM FILED/CERT

EXHIBIT "A"

Commence at the Northwest corner of the Southwest 1/4 of Section 23, Township 21 South, Range 3 West, Shelby County, Alabama and run Easterly along the North line of said quarter section a distance of 878.68 feet to the point of beginning of the tract of land herein described; thence continue Easterly along said quarter line for 609.75 feet to a point on the Westerly right of way line of Alabama Highway #119; thence turn 72 degrees 52 minutes 10 seconds right to the tangent of a curve to the left, said curve having a radius of 2,904.79 feet, and run Southeasterly along said curve and said right of way line for 520.11 feet to a point; thence turn 45 degrees 38 minutes 58 seconds right from the tangent to said curve at said point and run Southwesterly 99.69 feet to a point on the Northerly right of way line of Shelby County Highway #80; thence turn 62 degrees 29 minutes 18 seconds right to the tangent of a curve to the right, said curve having a radius of 1,869.86 feet, and run Westerly along said curve and said right of way line for 199.84 feet to the point of a tangent to said curve; thence run Westerly along said tangent to said curve for 510.07 feet; thence turn 87 degrees 22 minutes 28 seconds right and run 631.82 feet to the point of beginning.

LESS AND EXCEPT:

A parcel of Land situated in the Southwest Quarter of Section 23, Township 21 South, Range 3 West, Shelby County, Alabama, being more particularly described as follows: Commence at the Northwest corner of the Southwest Quarter of Section 23, Township 21 South, Range 3 West, Shelby County, Alabama, and run East along the North line of the Southwest quarter for a distance of 878.68 feet to the Point of Beginning of the parcel of land herein described; thence continue along the last described course for a distance of 609.75 feet to a point on the West right of way line of Alabama Highway #119; thence turn 72 degrees 52 minutes 10 seconds right to the tangent of a curve to the left, said curve having a radius of 2904.79 feet and run along the arc of said curve and said road right of way for a distance of 291.75 feet to a point; thence turn 83 degrees 54 minutes 19 seconds right from the tangent to said curve at said point and run Southwesterly for a distance of 226.38 feet; thence turn 90 degrees 00 minutes 00 seconds right and run Northwesterly for a distance of 74.16 feet; thence turn 93 degrees 07 minutes 52 seconds left and run Southwesterly for a distance of 143.60 feet; thence turn 71 degrees 58 minutes 41 seconds left and run Southeasterly for a distance of 218.74 feet to a point on the North right of way line of Shelby County Highway #80; thence turn 100 degrees 34 minutes 26 seconds right and run Westerly along said road right of way for a distance of 340.24 feet; thence turn 87 degrees 22 minutes 28 seconds right and run Northerly for a distance of 631.82 feet to the Point of Beginning. (containing 7.14 acres more or less).