

STATE OF ALABAMA)

SHELBY COUNTY)

NOTICE OF
STATUTORY MORTGAGE LIEN

Notice is hereby given, pursuant to Section 11-89B-4 of the Code of Alabama 1975, as follows:

1. Pursuant to and for the purposes expressed in Article 8 of Chapter 50, and Chapter 89B, of Title 11 of the Code of Alabama 1975, the Board of Directors of The Water Works Board of the Town of Columbiana (the “Board”) has issued the following bonds (the “Bonds”) under that certain Indenture dated as of September 1, 2008 to Regions Bank, as bondholder (the “Indenture”):

\$4,000,000 Water Revenue Bonds, Series 2008, of even date.

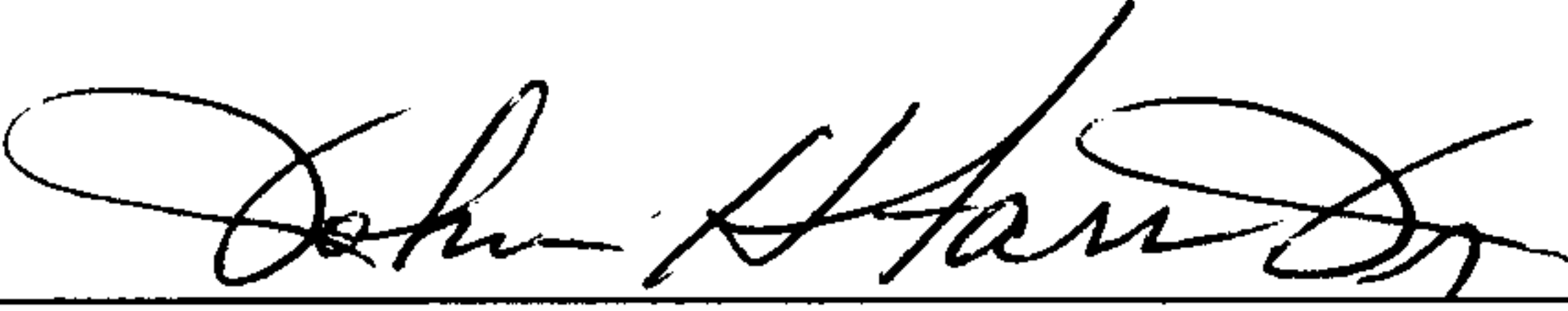
2. The water system of the Board consists of facilities owned by the Board for the production, transmission, storage and sale of water located in the City of Columbiana, Alabama and surrounding areas in Shelby County, including, without limitation, water transmission and treatment facilities, pumping stations, water storage tanks, mains, services, meters, valves, hydrants, booster stations, pipelines and pumping stations, and appurtenant facilities, and buildings and the real property and interests therein held in the name of the Board.

3. The form of the Bonds as referenced in the Indenture is hereby made thereto for a description of such bond and the principal amounts, interest rates, principal and interest payment schedules, prepayment terms, and other terms and provisions thereof.

4. By virtue of the laws of the state of Alabama and the Indenture, a statutory mortgage lien on the said system and facilities, including any replacements or extensions thereof and improvements or additions thereto, has been created in favor of the registered owner or owners of the Bonds, and the said system and facilities shall remain subject to such statutory mortgage lien until payment in full of the principal of and interest on the Bonds.

IN WITNESS WHEREOF, the Board has caused this instrument to be executed in its name and on its behalf by the Chairman of its Board of Directors and attested by its Secretary, and its corporate seal to be hereunto affixed as of the date first written above.

THE WATER WORKS BOARD OF THE TOWN
OF COLUMBIANA

By: 
Chairman of its Board of Directors



Attest: 
Secretary

STATE OF ALABAMA)

SHELBY COUNTY)

The undersigned notary public certifies that John H. Farr, Jr., whose name as Chairman of the Board of Directors of The Water Works Board of the Town of Columbiana, a public corporation, is signed to the foregoing notice, and who is known to me to be such officer, acknowledged before me on this date that, being informed of the contents of such notice, he, in his capacity as such officer and with full authority, executed the same voluntarily on the day the same bears date as and for the act of the said public corporation.

GIVEN under my hand and official seal this 9th day of September, 2008.



David B. Ringelstein II
Notary Public

My commission expires: Oct 21, 2011

This instrument prepared by:

David B. Ringelstein II
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