

STATE OF ALABAMA  
COUNTY OF SHELBY

SECURITY AGREEMENT

Security agreement made this the 8<sup>th</sup> day of July, 2010, between DAWN DIFFLEY and DAVID DIFFLEY ("Debtors") and SCOTT SIMONS ("Secured Party").

SECTION ONE  
CREATION OF SECURITY INTEREST

In consideration of and as security for the due and punctual payment by Debtor of the obligation evidenced by a promissory note dated 7/8/10, by Debtor to Secured Party in the amount of Forty-three Thousand Dollars and 00/00 (\$43,000.00) and to secure the performance by Debtor of Debtor's obligations under the above-mentioned promissory note, Debtor pledges and assigns to Secured Party the following described equipment and grants Secured Party a security interest in the below described mobile home pursuant to the Alabama Uniform Commercial Code as set forth in the Code of Alabama 1975, as amended: see attached UCC-1. a 1999 Clayton Dream Mobile Home, VIN # CS2001813TNB

SECTION TWO  
REPRESENTATIONS AND WARRANTIES

Debtor represents and warrants that Debtor owns the equipment, that the equipment is not subject to any lien, pledge, charge, encumbrance, security interest, or a right of auction on the part of any third person to purchase or acquire such equipment or any part of them.

SECTION THREE  
SECURED PARTY'S RIGHTS

Secured Party shall have, with respect to the equipment, the rights and obligations of a secured party under 7-9A-101 et seq., Code of Alabama 1975, as amended.

SECTION FOUR  
REMEDIES

On default, as defined in the promissory note, Secured Party shall have the right to repossess said equipment; or to sell, assign or deliver as much of the equipment as may be necessary to repay the unpaid obligation together with the expenses incurred in connection with such sale, assignment or delivery, as the Secured Party may choose. At any sale of the equipment, whether private or public, Secured Party may purchase and pay for the equipment or any part of the equipment by canceling a principal amount of the note that is equal to the purchase price. Prior to

conducting such sale, Secured Party agrees to notify Debtor at least ten (10) days before the date of sale. Secured Party may sell the equipment or any portion thereof without first resorting to any other property of the Debtor. Debtor waives any right of redemption with respect to the equipment sold.

#### SECTION FIVE APPLICATION OF PROCEEDS

The proceeds from the sale of the equipment or any part of the same, on default, shall be applied by the Secured Party as follows:

First, to the payment of the costs and expenses of collection incurred by the Secured Party, including, but not limited to, costs of any public or private sale, attorney's fees and all other reasonable expenses.

Second, to the payment of the entire amount of the principal and interest due and owed on the note.

Any remaining proceeds from the sale will be delivered to Debtor.

#### SECTION SIX TERMINATION

On the termination of the obligation evidenced by the note, Secured Party shall release Secured Party's security interest in the equipment under this agreement.

#### SECTION SEVEN RENEWALS OR EXTENSIONS

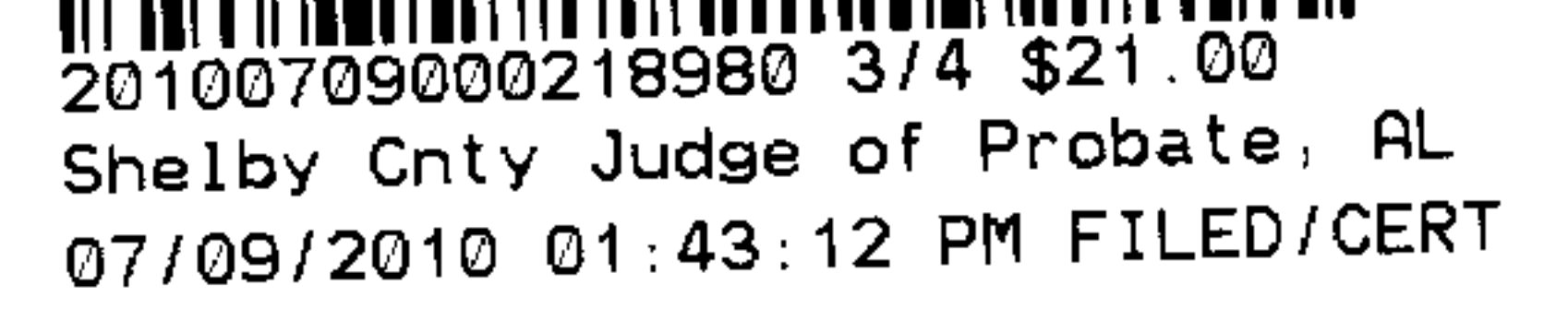
No renewal or extensions of the note, and no delay in the enforcement or exercise of the rights granted the Secured Party under this agreement, shall constitute a waiver or affect the rights of Secured Party with respect to the shares of stock or any part of them. This agreement shall secure any renewal or replacement note or notes.

#### SECTION EIGHT AMENDMENT OR MODIFICATION

This agreement may not be amended or modified except in writing, executed and signed by the parties.

#### SECTION NINE ADDITIONAL DOCUMENTS

Debtor stipulates that Debtor will execute and deliver to Secured Party any and all additional documents that may be necessary to perfect to security interest given to Secured Party under this agreement.



This agreement shall be binding on the parties and their representatives, heirs, successors and assigns.

Secured Party:

D. D. Diffley  
Dawn Diffley

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**PROMISSORY NOTE**

\$43,000.00

Alabaster, Alabama

Date 7/8/10

The undersigned, for value received, promise(s) to pay to the order of SCOTT SIMONS the sum of Forty-Three Thousand Dollars and 00/00 (\$43,000.00), together with interest upon the unpaid portion thereof from date at the rate of 4.21 per cent (4.21%) per annum, in monthly installments of Two Hundred Sixty-five Dollars and 35/00 (\$265.35), payable on the 1<sup>ST</sup> day of each month after date, commencing AUGUST 1, 2010, until said sum is paid in full, payable at 108 BERRYHILL DRIVE, ALABASTER, AL 35007, or at such other place or places as the owner or holder hereof may from time to time designate. All payments shall be applied first to interest on the unpaid balance of principal, and the balance to principal. Each of said installments shall bear interest at the same rate per annum after maturity.

This note is secured by a security agreement on equipment, executed to the payee herein. In the event of default under the terms of said security agreement, or in the event any installment shall remain unpaid for as much as ten days after the same become due, the holder hereof shall have the right and option to declare the entire indebtedness secured thereby to be at once due and payable. Undersigned agrees to maintain loss and damage insurance on said mobile home with secured party, Scott Simons, as loss payee and furnish secured party with proof of continuance coverage every 90 days. Failure to maintain and pay insurance will place this note in default.

Each maker and endorser hereby waives all right of exemption under the Constitution and Laws of Alabama, and agrees to pay the cost of collection, including a reasonable attorney's fee, if this obligation is not paid at maturity.

Demand, protest and notice of protest, and all requirements necessary to hold them liable, are hereby waived by each and every maker and endorser of this note.

This note may be prepaid in whole or in part at any time without penalty.

Payment to be made by money order or cashiers check.

This note is given, executed and delivered under the seal of the undersigned.

D. A. Diffley  
Dawn Diffley