

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Walter F. Scott III, Esq 205-949-5580
B. E-MAIL CONTACT AT FILER (optional) wfs3@gallowayscott.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Galloway, Scott, Moss & Hancock, LLC 2200 Woodcrest Place, Suite 310 Birmingham, AL 35209



20190205000037210 1/7 \$42.00
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02/05/2019 08:20:44 AM FILED/CERT

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME MCNEILL & STORM PROPERTIES, INC.				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 2300 Twelve Oaks Drive	CITY Hoover	STATE AL	POSTAL CODE 35244	COUNTRY USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME INNOVATIVE COMBUSTION TECHNOLOGIES, INC.				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS 10 Commerce Drive	CITY Pelham	STATE AL	POSTAL CODE 35124	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 1500 1st Avenue North, Unit #12	CITY Birmingham	STATE AL	POSTAL CODE 35203	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

SEE EXHIBITS B AND C ATTACHED HERETO AND MADE A PART HEREOF FOR A DESCRIPTION OF THE COLLATERAL. THE COLLATERAL IS ALL NON-REAL ESTATE PROPERTY, FURNITURE, FIXTURES AND EQUIPMENT ASSOCIATED WITH THE REAL ESTATE DESCRIBED ON EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA:

FILE WITH SHELBY COUNTY PROBATE OFFICE

EXHIBIT A

LEGAL DESCRIPTION OF THE REAL ESTATE

PARCEL I:

A part of Section 13, Township 20 South, Range 3 West, situated in Shelby County, Alabama, more particularly described as follows:

Commence at the Southwest corner of the Northwest 1/4 of the Southeast 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama and run thence Easterly along the South line of said Quarter-Quarter section a distance of 424.47 feet to a point; thence turn 63 degrees 45 minutes 08 seconds left and run North 27 degrees 36 minutes 44 seconds East a distance of 644.22 feet to a steel pin corner marking the Northeast corner of Lot 16 of Valley Commercial Park and the point of beginning of the property being described; thence run North 62 degrees 08 minutes 55 seconds West 133.93 feet to a point; thence run South 27 degrees 52 minutes 49 seconds West 198.00 feet to a point; thence run North 62 degrees 07 minutes 11 seconds West 141.73 feet to a point on the Easterly margin of Shelby County Highway No. 33; thence run South 24 degrees 10 minutes 16 seconds West along said margin of said Highway 195.96 feet to the P.C. of a curve to the left marking the Northerly margin of Commerce Drive, said curve having a central angle of 42 degrees 26 minutes 01 seconds and a radius of 153.06 feet; thence run Easterly along the arc of said curve an arc distance of 129.38 feet to the P.T. of said curve; thence run North 85 degrees 18 minutes 41 seconds East 166.24 feet to a point; thence run North 27 degrees 36 minutes 44 seconds East 285.90 feet to the point of beginning.

PARCEL II:

A part of Section 13, Township 20 South, Range 3 West, situated in Shelby County, Alabama, more particularly described as follows:

Commence at the Southwest corner of the Northwest 1/4 of the Southeast 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama and run thence Easterly along the South line of said Quarter-Quarter section a distance of 424.47 feet to a point; thence turn 63 degrees 45 minutes 08 seconds left and run North 27 degrees 36 minutes 44 seconds East a distance of 644.22 feet to a steel pin corner marking the Northeast corner of Lot 16 of Valley Commercial Park; thence run North 62 degrees 08 minutes 55 seconds West 133.93 feet to the point of beginning of the property being described; thence continue last described course 140.27 feet to a point on the Easterly margin of Shelby County Highway No. 33; thence run South 28 degrees 18 minutes 13 seconds West along said margin of said highway 197.92 feet to a point; thence run South 62 degrees 07 minutes 11 seconds East 141.73 feet to a point; thence run North 27 degrees 52 minutes 49 seconds East 198.00 feet to the point of beginning.

(the "Real Estate")



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EXHIBIT B

UCC Financing Statement to be filed with Shelby County, Alabama Probate Office.

All buildings and other improvements, furniture, fixtures and equipment, not owned by tenants now or hereafter located on the Real Estate or any part thereof including but not limited to, all extensions, betterments, renewals, renovations, substitutes and replacements of such (the "Improvements");

TOGETHER with all and singular the easements, rights-of-way, licenses, privileges, and appurtenances thereunto belonging, and all the rents, issues and profits therefrom and accounts relating thereto; and also all the estate, right, title and interest of Debtor, either at law or in equity, of, in and to the Real Estate herein described, and every part thereof (including, without limitation, all proceeds of insurance, all awards and payments arising out of or in connection with the exercise of the right of condemnation or eminent domain), and the rights to protest or appeal ad valorem taxes, to claim excess bids and tax refunds, and to redeem tax sales;

TOGETHER with all right, title and interest, if any, of Debtor, in and to the land lying within any street or roadway adjoining the Real Estate; and all right, title and interest, if any, of Debtor in and to any strips and gores adjoining the Real Estate or any part thereof;

TOGETHER with all buildings, structures, improvements, and railroad spur tracks and sidings now or hereafter erected thereon and, without any further act, all extensions, additions, betterments, substitutions and replacements thereof; and, also, all fixtures, furniture, furnishings, machinery, apparatus, appliances, equipment, and articles of personal property of every kind and nature whatsoever, now or hereafter located in or upon or affixed to the Real Estate, or any part thereof, and used or usable in connection with any present or future operation of the Real Estate, and now owned or hereafter acquired by Debtor, including, but without limitation of the generality of the foregoing, all heating, lighting, incinerating, refrigerating, ventilating, air conditioning, air cooling, lifting, fire extinguishing, plumbing, cleaning, communication (including cable), and security systems, equipment and apparatus; all gas, water, telephone and electrical equipment; and all elevators, escalators, switchboards, engines, motors, tanks, pumps, screens, storm doors, storm windows, shades, awnings, floor coverings, carpeting, ranges, stoves, microwave ovens, refrigerators, dishwashers, washers, dryers, televisions, cabinets, partitions, conduits, ducts, and compressors; and all leases, rents, receivables and contract rights relating to the Real Estate and Premises, as defined below; it being understood and agreed that all such buildings, structures, improvements, fixtures, furnishings, machinery, apparatus, equipment, and articles of personal property are declared to be a portion of the security for the indebtedness secured hereby (whether in single units or centrally controlled, and whether physically attached to the Real Estate or not) and, together with the Real Estate and all of the above-described interests, are hereinafter referred to as the "Premises."



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DEBTORS MCNEILL & STORM PROPERTIES, INC. and INNOVATIVE COMBUSTION TECHNOLOGIES, INC. (collectively, "DEBTOR") HEREBY FURTHER GRANT TO mortgagee BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY ("Mortgagee" and the subject mortgage is henceforth referred to as the "Mortgage") a security interest and assigns all of Debtor's now or existing or hereafter acquired right, title and interest in the following with the understanding and intention that this instrument and the Mortgage shall constitute a security agreement pursuant to Article 9 of the Uniform Commercial Code of the state in which the Premises are located:

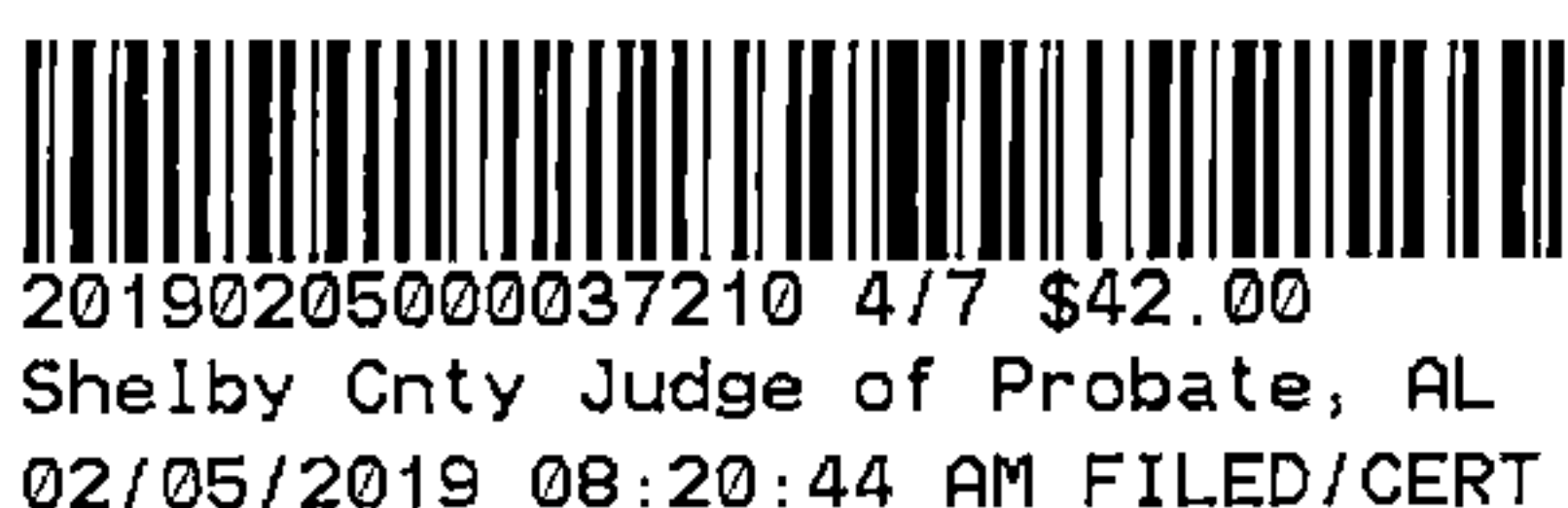
(a) All equipment, fixtures, inventory, goods, instruments, appliances, furnishings, machinery, tools, raw materials, component parts, work in progress and materials, and all other tangible personal property of whatsoever kind, used or consumed in the improvement, use or enjoyment of the Premises now or any time hereafter owned or acquired by Debtor, wherever located and all products thereof whether in possession of Debtor or whether located on the Premises or elsewhere, including but not limited to the specific equipment listed on Exhibit C attached hereto;

(b) To the extent such general intangibles are assignable, all general intangibles relating to design, development, operation, management and use of the Premises, including, but not limited to, (1) all names under which or by which the Premises may at any time be owned and operated or any variant thereof, and all goodwill in any way relating to the Premises and all service marks and logotypes used in connection therewith, (2) all permits, licenses, authorizations, variances, land use entitlements, approvals, consents, clearances, and rights obtained from governmental agencies issued or obtained in connection with the Premises, (3) all permits, licenses, approvals, consents, authorizations, franchises and agreements issued or obtained in connection with the construction, use, occupation or operation of the Premises, (4) all materials prepared for filing or filed with any governmental agency, and (5) the books and records of Debtor relating to construction or operation of the Premises;

(c) All accounts, deposit accounts, supporting obligations, letter of credit rights, tax and insurance escrows held pursuant to the Mortgage, accounts receivable, instruments, documents, documents of title, general intangibles, rights to payment of every kind, all of Debtor's rights, direct or indirect, under or pursuant to any and all construction, development, financing, guaranty, indemnity, maintenance, management, service, supply and warranty agreements, commitments, contracts, subcontracts, insurance policies, licenses and bonds now or anytime hereafter arising from construction on the Real Estate or the use or enjoyment of the Premises to the extent such are assignable [ServisFirst Bank waives its right of offset for medicare receivables]; and

(d) All condemnation proceeds (including payments in lieu thereof) and insurance proceeds related to the Premises.

TOGETHER with all additions to, substitutions for and the products of all of the above, and all proceeds therefrom, whether cash proceeds or noncash proceeds, received when any



such property (or the proceeds thereof) is sold, exchanged, leased, licensed, or otherwise disposed of, whether voluntarily or involuntarily. Such proceeds shall include any of the foregoing specifically described property of Debtor acquired with cash proceeds. Together with, and without limiting the above items, all Goods, Accounts, Documents, Instruments, Money, Chattel Paper, Deposit Accounts, Letter of Credit Rights, Investment Property, Equipment and General Intangibles arising from or used in connection with the Premises, as those terms are defined in the Uniform Commercial Code from time to time in effect in the state in which the Premises are located.

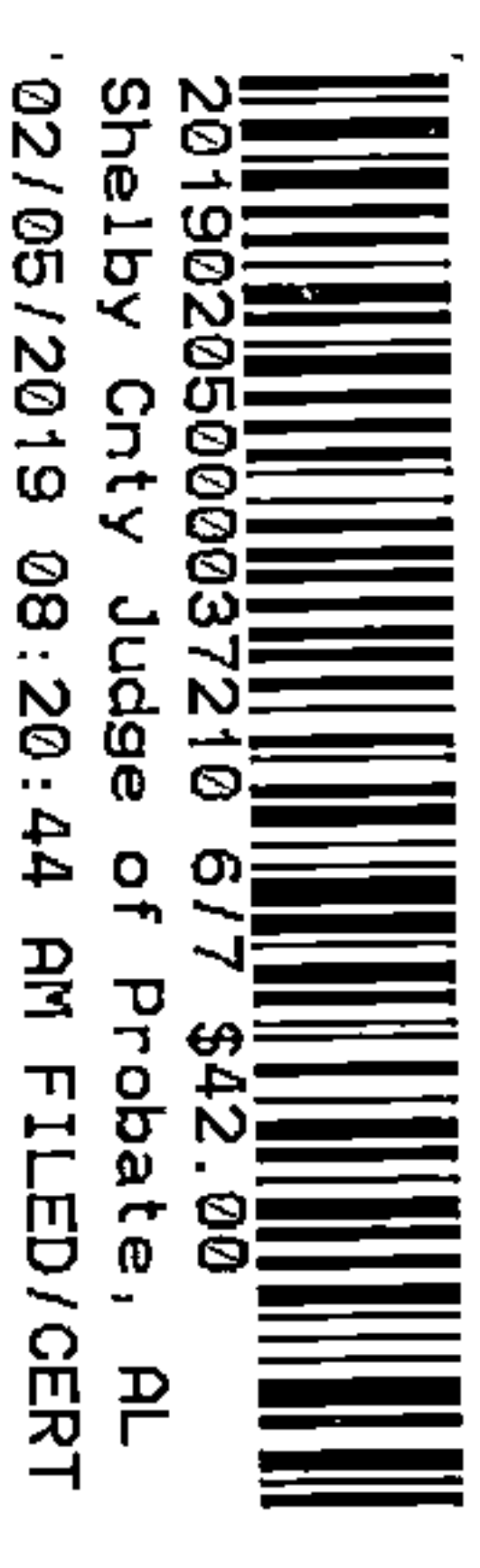
The Loan secured by this UCC Financing Statement was made under a United States Small Business Administration ("SBA") nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

- a. When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.
- b. CDC or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.



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EXHIBIT C

INNOVATIVE COMBUSTION TECHNOLOGIES
EQUIPMENT PURCHASES FROM SOUTHERN RESEARCH

Item	Description	Quantity	Manufacturer	Model # (if any)	Serial # (if any)	Purchase Price
Major Equipment						
Combustion Chamber	Generate Flue Gas	1	Hauck			75,000
Heat Exchanger 4	Moisture Control	1	Tranter		SMAA-146	16,500
Heat Exchanger 1-3	Moisture Control	3	Heat Exchanger Design		5143A 5143B 5143C	138,667
Ovens	Maintain catalyst temp	4	Thermcraft		1212114/1A	75,000
			Thermcraft		1212114/1C	
			Thermcraft		1212114/1D	
			Thermcraft		1212114/1G	
Air Compressor	Sullair 1109e 15HP Air Compressor	1	Sullair	1109E-AC	201703030051	12,980
Air Dryer	HHE-60 Dual Tower air Dryer	1	Hankison	HHE-60	1000003332649	10,192
Forced Draft Fan	Forced Draft Fan w/speed control	1	AirPro	HPSL391	23448.1	33,003
Induced Fan	Induced Fan w/speed control	1	AirPro	HPSL294	23448.3	32,621
Recycle Fan	Recycle Fan w/speed control	1	AirPro	HPSL317	23448.2	35,573
In-Line Heating System	In-Line Heating Systemm	1	TUTCO/Sureheat	F076521 F076519		29,517
Catalyst test holders	Holds catalysts in place	4				
Water knock-out eqpt	Moisture control/Test chamber isolation	3	Dry Coolers		J-5316 J-5316-1 J-5315	16,150
Valves	Valves	12				40,000
Control Valves	Control Pressure/Heat	20	BBP			156,854
Instrumentation Transmitters	Deliver Pressure/Temp readings to DCS	25	BBP			64,380

EXHIBIT C



Piping	Piping & Insulation						316,695
DCS	Control System	1	BBP		C2NC15115C		100,000
					C2NC15079C		
					C2NC15080C		
					C21403198		
Computers/monitors		5	Dell		CN-05YD8C-74445-418-060L		
					CN-05YD8C-74445-418-167L		
					DR5HLS1		
					G9JPLN1		
					2L4NXR1		
SO3 Generator	Built in-house by SRI	1					
NH3 pre-injection panel	IMFC & transducer	1					20,000
NH3 post-injection panel	IMFC & transducer	1					
SO2 injection system cabinet	Valves, fittings, IMFC	1					
Lab Equipment							
Bead Fuser	XRF Sample Prep	1	Claisse		M4-30	SMOA12029	37,510
Meter boxes	Gas sampling	2					6,000
Pipetors	Titration/Reagent prep	4					0
Gas Conditioners	Gas sampling	2					4,000
Auto-titrator	SO3 titration	1					10,000
FTIR	Gas sampling eqpt	2				10541191	90,000
						17327645	
Oxygen Analyzer	Process O2	2					4,000
XRF Tiger	XRF testing	1	Bruker		S8 Tiger	206444	90,000
Chiller	XRF cooler	1	Haskris		R175	HB24111	
Fume Hood	Fume Hood for Lab	1	Kewaunee				13,770
					CX0112	NI3100-180907-1	
Air Quality Eqpt	Monitor air quality in lab		Conspec		CX1311	SO2-180324-1	5,854
					CX0352	CO180906-1	
Probes	Probes for oven temp	4					5,036
Ice Machine	Ice for cooling	1	Ice-O-Matic		ICEU150HA7	18092280010919	2,180
Lab Furniture	Desk/Chairs/monitor screens	5					8,576

1,450,058