

**FORBEARANCE AGREEMENT**

**THIS FORBEARANCE AGREEMENT** is entered into this 12th day of June, 2019 (the "Effective Date"), by and between RENASANT BANK ("RENASANT" or "bank"), DAVID ACTON BUILDING CORPORATION ("Borrower") and WILLIAM D. ACTON. ("Guarantor")

**Recitals**

A. The bank has one loan that is encompassed by this agreement. Loan I (# 873160-1) is in the name of DAVID ACTON BUILDING CORPORATION and has a current principal and interest balance of \$207,602.27. This balance does not include late charges and/or attorney fees and is not a payoff. Loan I makes up the "Indebtedness" for purposes of this agreement. Repayment of Loan I to the bank is personally guaranteed by WILLIAM D. ACTON.

B. The Borrower has requested that Renasant enter into a Forbearance Agreement in order to allow it some additional time to retire its Indebtedness at the bank. Renasant is willing to forbear allowing the Borrower more time to retire its Indebtedness but only upon strict compliance with the terms and conditions contained herein.

**Agreement**

**NOW THEREFORE**, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the parties agree as follows:

1. **Acknowledgement of Indebtedness.** The Borrower acknowledges that it is indebted to Renasant for repayment of the Indebtedness, plus all accruing interest, costs, attorney fees and any other expenses related to the Indebtedness. The Borrower hereby reaffirms the Note and other related Security Documents, and acknowledge that they are strictly enforceable in accordance with their terms.

2. **Acknowledgement of Lack of Defenses.** The Borrower acknowledges that it has no defense, counterclaim, offset, cross complaint, claim or demand of any kind or nature whatsoever (collectively, the "Claims") that can be asserted to reduce or eliminate all or any part of the Borrower's liability to repay the Indebtedness to Renasant or to seek affirmative relief for damages of any kind or nature from Renasant, which Claims arise out of or are related to the Indebtedness. To the extent that any such Claim exists, it is fully, forever and irrevocably released as provided in Paragraph 6, hereof.

3. **Agreement.** Based on Renasant (1) receiving a fully executed copy of this agreement on or before 6/18/2019, (2) receiving monthly payments on Loan I in the amount of \$2,170.18 with the first payment due on 6/25/2019 and each of the subsequent payments coming due on the 25<sup>th</sup> day of the following month with one final balloon payment of the full balance due on the Indebtedness upon maturity at 6/30/2020 (3) and provided there is no other default by the Borrower under the note or other financing

documents, including without limitation, this Agreement, then Renasant will allow the Borrower to proceed under the terms outlined above. Payments will be applied to principal and the collection of the outstanding interest owing will be deferred to the maturity date of 6/30/2020. The attorney fees for the preparation of this Agreement and the costs for the title insurance policy will also be collected at maturity on 6/30/2020.

4. **Legal Fees.** Borrower will pay all reasonable legal fees incurred by Renasant in connection with the collection of the Indebtedness and the preparation of this agreement up to 33% of the unpaid balance due on the Indebtedness in the event of a default under the terms of this agreement.

5. **Default.** Should the Borrower default in its obligations under the terms of this Agreement, the Note, or other financing documents, or any other loans and/or extensions of credit whatsoever that it has with Renasant either now existing or hereafter incurred, the terms of which are incorporated by reference herein and made a material part of this Agreement (except as modified herein), the Note shall become immediately due and payable in full. Also, a default rate of interest of 8.5% in excess of the Prime Rate of Renasant will immediately become effective in the event Borrower and/or Guarantor defaults in any of their obligations under the terms of this Agreement, the Note, or other financing documents or any other loans and/or extensions of credit whatsoever that they have with Renasant Bank either now existing or hereafter incurred.

6. **Release By the Borrower and Guarantor.** The Borrower and Guarantor, for their successors, heirs and assigns, affiliates, subsidiaries, officers, agents, and employees do hereby release and forever discharge Renasant, its successors and assigns, officers, agents, employees, and attorneys, from any and all claims, demands, actions, causes of actions, suits, damages, and loss, of whatsoever kind and nature, for or on account of anything that has heretofore occurred up to and including the date of this Agreement.

7. **Integration.** This Agreement constitutes the entire agreement of the parties pertaining to the subject matter hereof and all prior negotiations and representations relating thereto are merged herein. This Agreement is not intended to modify and does not modify the obligations of the Borrower and/or Guarantor pursuant to any loan or security agreement, guaranty or debt instrument, except to the extent expressly set forth herein. This Agreement shall inure to the benefit of, and be binding upon, the representatives, successors and assigns of the parties thereto, respectively. The parties each acknowledge that they have read and understood this Agreement, that they have had the ability to consult with an attorney of their own choosing, and that they execute this Agreement voluntarily. This Agreement may be executed in whole or in counterparts, each of which shall be an original but all of which, when taken together, shall constitute but one agreement. No hand written changes to this agreement have any effect whatsoever unless initialed by all parties to the agreement.

8. **Correction Agreement.** The undersigned Borrower and Guarantor, for and in consideration of Renasant agree, if requested by the bank or closing agent for the bank,

to fully cooperate and adjust for clerical errors on any or all of the loan closing documentation including but not limited to this agreement if deemed necessary at the reasonable discretion of Renasant. The undersigned Borrower and Guarantor hereby so agree and covenant in order to assure among other things that the loan documentation will reflect the agreement of the parties and that the loan documentation will also be acceptable in the market place in the instance of sale, transfer, or conveyance by Renasant of its interest in said loan documentation. The undersigned Borrower and Guarantor agree that the failure of Borrower and/or Guarantor to cooperate, adjust, and/or replace any such loan documentation as provided herein, upon the reasonable request of Renasant will constitute a default under the loan documentation.

9. **Course of Dealing.** No course of dealing between the bank and Borrower and/or Guarantor shall be effective to amend, modify or change any provision of this Agreement.

10. **Cross-Default.** In the event of the failure of Borrower and/or Guarantor to make their payments when due as called for in this Agreement or the failure of the Borrower and/or Guarantor to make the payments on any of their other obligations to Renasant ("Obligations" meaning thereby these notes and any and all renewals and extensions thereof and all other liabilities of the Borrower and/or Guarantor to the bank, now existing or hereafter incurred or arising, direct or indirect, and however incurred) and/or the failure of the Borrower and/or Guarantor to make any payment when due under any credit agreement with any lending institution whatsoever, then Renasant shall have the right at its election to declare all obligations of the Borrower and/or Guarantor immediately due and payable in full.

11. **Arbitration.** All disputes shall be resolved by binding arbitration in accordance with Title 9 of the U.S. Code and the Arbitration Rules for Commercial Financial Disputes of the American Arbitration Association. Borrower and Guarantor specifically waive their right to a trial by jury. All defenses, including those defenses based on statutes of limitation, estoppel, waiver, laches and similar doctrines, that would otherwise be applicable to an action brought by a party, shall be applicable in such arbitration proceeding. Notwithstanding the foregoing, the Borrower and Guarantor agree that Renasant shall have the right, but not the obligation, to submit and pursue in a court of law any claim against Borrower and/or Guarantor for a debt due. No provision of, nor the exercise of any rights under this section, shall limit the bank's right to foreclose against any real or personal property by exercise of a power of sale under a mortgage, to exercise self-help remedies such as repossession or set-off, or to obtain provisional or ancillary remedies such as injunctive relief, attachment or the appointment of a receiver from a court having jurisdiction either before, during or after the pendency of any arbitration. The arbitrator may not award punitive damages, treble damages, or attorney's fees. All parties will pay their own costs associated with any arbitration proceeding.

12. **State Law of Alabama.** This agreement shall be governed by and construed in accordance with the laws of the State of Alabama. Whenever possible, each provision of this agreement shall be interpreted in such a manner to be effective and valid

under applicable law. If any provision shall be deemed ineffective and/or invalid, this will not invalidate the remainder of this agreement. The proper venue for any civil litigation between the parties shall be the Circuit Court of Jefferson County, Alabama.

13. **Non-Waiver.** No failure or delay on the part of the bank in exercising any right, power, or privilege under this agreement or any of the other loan documents shall operate as a waiver thereof. In addition, a single and/or partial exercise of any right, power, or privilege under this agreement or any of the other loan documents does not preclude any other and/or future exercise of any right, power, or privilege granted the bank in this agreement or any of the other loan documents. No modification, amendment, or waiver of any provision of this agreement or any of the other loan documents shall be effective unless in writing and signed by a duly authorized officer of the bank, and then only in the specific instance and for the purpose for which given.


14. **Confidentiality.** The terms of this forbearance are to remain confidential between the parties to said agreement and are only to be disclosed on a strict need to know basis or if required by operation of law.

15. **Cross-Collateralization.** The collateral of Borrower and/or Guarantor in which RENASANT has a security interest in secures the principal and interest on all the Indebtedness, obligations (including obligations of performance), and liabilities of Borrower and/or Guarantor to Renasant of every kind and description whatsoever, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, contracted or arising, or acquired by RENASANT from any source, joint or several, liquidated or unliquidated, regardless of how they arise and/or were incurred or by what agreement or instrument they may be evidenced or whether they are evidenced by agreement or instrument, and whether incurred as maker, endorser, surety, guarantor, or otherwise, and any and all extensions, forbearances, or renewals of any of the same.

16. **Acknowledgment By Guarantor.** Guarantor, WILLIAM D. ACTON, expressly acknowledges that he agrees to be liable for the repayment of the Indebtedness to Renasant and any and all debt and related obligations arising from the Indebtedness referenced in paragraph 1 hereof, and, although the Guarantor's consent is not required, Guarantor WILLIAM D. ACTON specifically consents to the Borrower's execution of this forbearance agreement, with its resulting obligations.

IN WITNESS WHEREOF, the parties have hereunto set their names and seals, all as of the day and year first above written.

RENASANT BANK

By   
Marquis Sledge, Vice-President



STATE OF MISSISSIPPI

COUNTY OF Lafayette

SWORN TO AND SUBSCRIBED before me this the 13<sup>th</sup> day of

June, 2019.



Matthew Smith  
Notary Public  
My Commission expires: 3/28/22

DAVID ACTON BUILDING CORPORATION

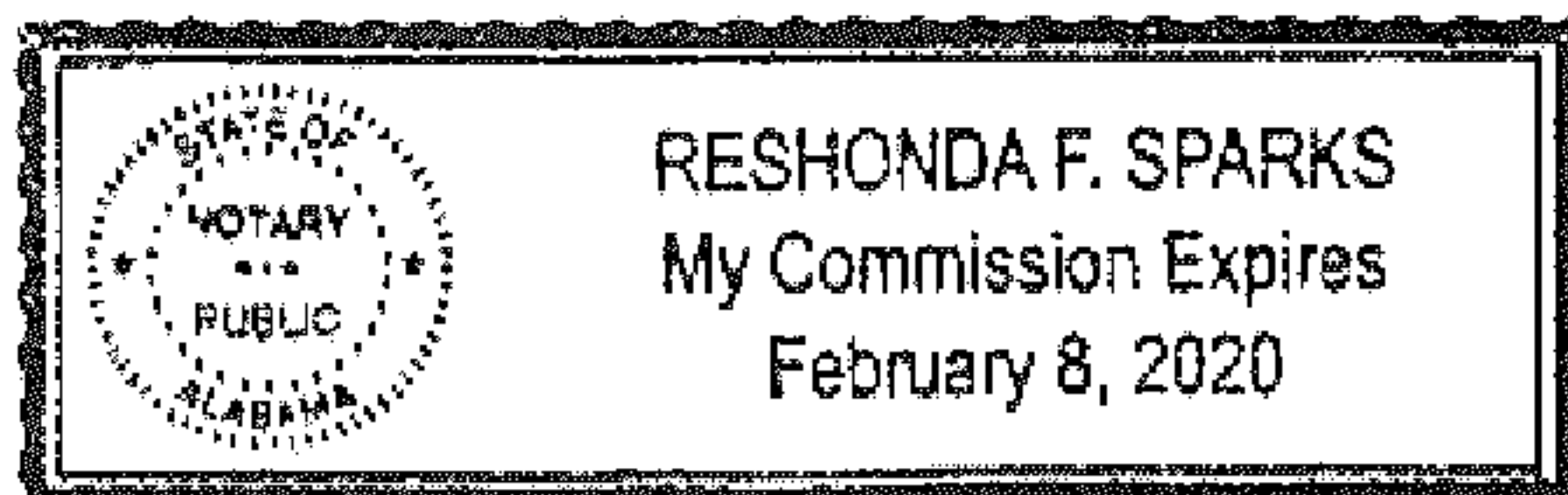
By William David Acton  
Its President

STATE OF ALABAMA

COUNTY OF Talladega

SWORN TO AND SUBSCRIBED before me this the 2<sup>nd</sup> day of

July, 2019.



Reshonda Sparks  
Notary Public  
My Commission expires: 2-8-20

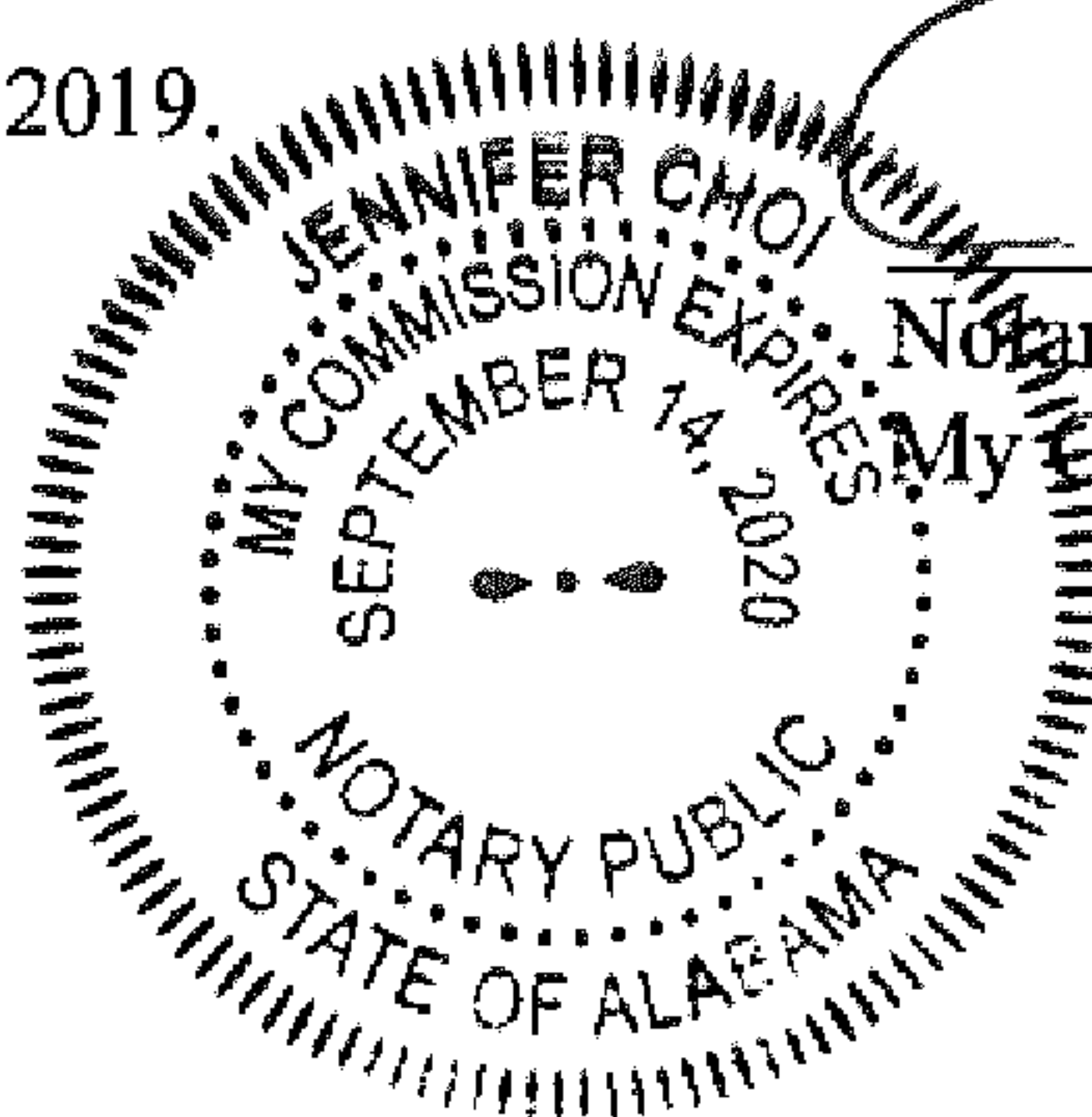
William D. Acton  
WILLIAM D. ACTON

STATE OF ALABAMA

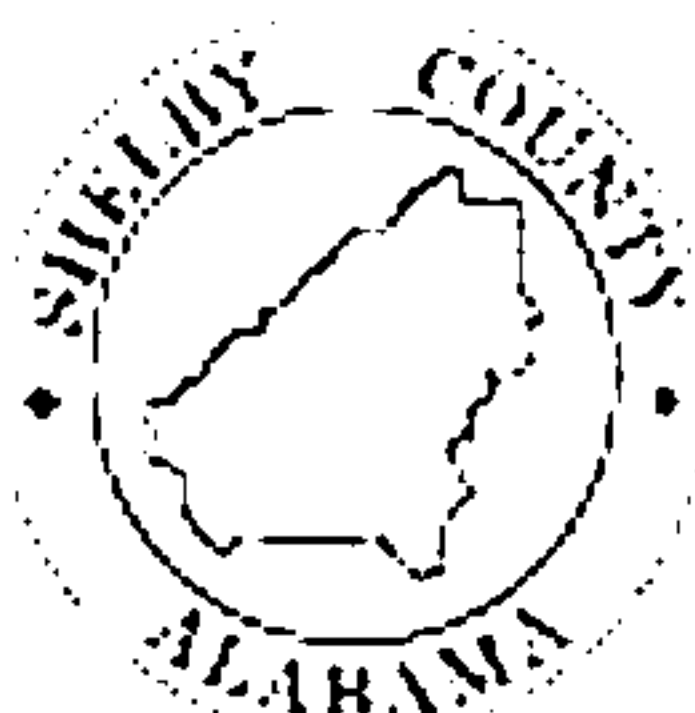
COUNTY OF Shelby

SWORN TO AND SUBSCRIBED before me this the 2<sup>nd</sup> day of

July, 2019.



Jennifer Choi  
Notary Public  
My Commission expires: 9/14/2020



Filed and Recorded  
Official Public Records  
Judge of Probate, Shelby County Alabama, County  
Clerk  
Shelby County, AL  
07/03/2019 12:35:16 PM  
\$27.00 CHARITY  
20190703000239500

Allie S. Bayl