

Secured Promissory Note

20231215000360910
12/15/2023 11:03:30 AM
NOTE 1/8

\$75,000.00

11/22/2023
Pelham, Alabama

On or before 03/01/2030, for value received, the undersigned GEORGE H. GILLIAM and CHRISTINA M. ZABALA of 1102 Camellia Ridge Drive, Pelham, AL 35124 (hereinafter referred to as the "**Borrowers**") promise to pay to the order of RICHARD F. ENGEL of 9 Jill Drive, Princeton Junction, NJ 08550 (herein after referred to as the "**Holder**"), the amounts set forth below as principal and interest in accordance with the terms and conditions set forth in this note.

1. PRINCIPAL.

Holder has loaned to Borrowers and Borrowers hereby acknowledge receipt of the principal amount of SEVENTY-FIVE THOUSAND and 00/100 U.S. DOLLARS (\$75,000.00)

2. PAYMENT.

All payments of principal and interest under this note will be made in lawful money of the United States, without offset, deduction, or counterclaim, by wire transfer of immediately available funds to an account designated by the Holder in writing at least 7 days after the effective date of this note or, if this designation is not made, by check mailed to the Holder at 9 Jill Drive, Princeton Junction, NJ 08550, or at such other place as the Holder may designate in writing. Payments shall be made in accordance with the amortization schedule attached hereto as Exhibit A and incorporated herein by reference.

3. TERM AND INSTALLMENT PAYMENTS.

All principal and interest due under this note shall be paid in full on or before 03/01/2030. Borrowers shall make 72 equal consecutive monthly installments in accordance with the amortization schedule attached hereto as Exhibit A, commencing on March 1, 2024 and continuing on the 1st day of each month, until the full amount of principal and interest due is paid in full. Each payment will be credited first to interest and then to principal consistent with Exhibit A. Acceptance by the Holder of any payment


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differing from the designated installment payment listed above does not relieve the Borrowers of the obligation to honor the requirements of this note.

4. INTEREST.

Borrowers agree to pay TEN THOUSAND THREE HUNDRED TWENTY-THREE and 10/100 U.S. DOLLARS (\$10,323.10) in interest over the term of this loan. Interest is payable until this note is paid in full, at the rate of 4.34% per year, in accordance with the amortization schedule attached as Exhibit 1. In the event the term of this note is extended by mutual agreement of the Borrowers and Holder evidenced by a writing signed by both parties, interest shall continue to accrue and be paid in accordance with the daily rate set forth above.

5. PREPAYMENT.

The Borrowers may prepay this note, in whole or in part, at any time before maturity without penalty or premium. Any partial prepayment will be credited first to accrued interest, then to principal. No prepayment extends or postpones the maturity date of this note; however, interest shall not accrue beyond the date that the principal amount and any interest then accrued is paid in full. Borrowers shall only be liable for payment of interest for the total number of days that the principal amount remains outstanding and unpaid.

6. SECURITY FOR PAYMENT.

This note is secured by certain assets of the Borrowers in accordance with a Mortgage dated 11/22/2023 between the Holder and the Borrowers (the "**Mortgage**"). The Mortgage is attached hereto as **Exhibit B** and incorporated by reference as if fully set forth herein. Borrowers and Holder agree that upon repayment of Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) of the principal amount owed, in accordance with the terms of Exhibit A, the Mortgage attached as Exhibit B shall be deemed satisfied and discharged in full, and Holder agrees to record a Satisfaction of Mortgage thereafter which reflects the full satisfaction and discharge of the Mortgage. In Event of Default (defined below) occurs, the Holder will have the rights set forth below and in the Security Agreement.


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7. EVENTS OF DEFAULT.

Each of the following constitutes an **"Event of Default"** under this note:

- (a) the Borrowers' failure to make any payment when due under the terms of this note, including the final payment due under this note when fully amortized;
- (b) the filing of any voluntary or involuntary petition in bankruptcy by or regarding both of the Borrowers or the initiation of any proceeding under bankruptcy or insolvency laws against both of the Borrowers;
- (c) an assignment made by the Borrowers for the benefit of creditors; or
- (d) the appointment of a receiver, custodian, trustee, or similar party to take possession of both of the Borrowers' assets or property.

8. ACCELERATION; REMEDIES ON DEFAULT; CURE.

If any Event of Default occurs, all principal and other amounts owed under this note shall be accelerated and become immediately due without any action by the Holder, the Borrowers, or any other person except as specifically stated to the contrary herein. The Holder, in addition to any rights and remedies available to the Holder under this note, may, in his sole discretion, pursue any legal or equitable remedies available to him under applicable law or in equity, including taking any of the following actions:

- (a) personally, or by agents or attorneys (in compliance with applicable law), take immediate possession of the collateral. To that end, the Holder may pursue the collateral where it may be found, and enter the Borrowers' premises, with or without notice, demand, process of law, or legal procedure if this can be done without breach of the peace except to the extent specifically stated otherwise herein. If the premises on which any part of the collateral is located are not under the Borrowers' direct control, the Borrowers will exercise their best efforts to ensure that the Holder is promptly provided right of access to those premises. To the extent that the Borrowers' consent would otherwise be required before a right of access

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could be granted, the Borrowers hereby irrevocably grants that consent;

(b) require the Borrowers to assemble the collateral and make it available to the Holder at a place to be designated by the Holder that is reasonably convenient to both parties (it being acknowledged that the Borrowers' premises are reasonably convenient to the Borrowers);

(c) sell, lease, or dispose of the collateral or any part of it in any manner permitted by applicable law or by contract; and

(d) exercise all rights and remedies of a secured party under applicable law.

Notwithstanding anything to the contrary set forth above, prior to the Holder exercising any of the rights set forth above, the Holder shall provide Borrowers with written notice setting forth the circumstances of his default and the total amount owed to cure said default including all reasonable expenses and attorney fees. Borrowers shall have Thirty (30) calendar days from the date of its receipt of said notice to cure the circumstances of their default and pay all amounts then due in full or make other reasonably alternative arrangements to reaffirm and/or extend this note to the mutual satisfaction of the parties evidenced by a written instrument setting forth any new or additional terms signed by both the Borrowers and the Holder. In the event that Borrowers fail to cure their default or Borrowers and Holder are unable to come to a reasonable agreement otherwise as set forth above, Holder may then proceed to exercise the rights and remedies set forth herein.

9. WAIVER OF PRESENTMENT; DEMAND.

Except as specifically stated to the contrary herein, the Borrowers hereby waive any further presentment, demand, notice of dishonor, notice of default or delinquency, notice of protest and nonpayment, notice of costs, expenses or losses and interest on those, exemptions to personal property to the extent permitted by

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law, and diligence in taking any action to collect any sums owing under this note. Acceptance by the Holder or any other holder of this note of any payment differing from the designated payments listed does not relieve the undersigned of the obligation to honor the requirements of this note.

10. GOVERNING LAW.

(a) **Choice of Law.** The laws of the state of Alabama govern this note (without giving effect to its conflicts of law principles).

(b) **Choice of Forum.** Both parties consent to the personal jurisdiction of the Circuit Court of Shelby County, Alabama and/or the United States District Court for the Northern District of Alabama.

11. COLLECTION COSTS AND ATTORNEYS' FEES.

The Borrowers shall pay all expenses of the collection of indebtedness evidenced by this note, including reasonable attorneys' fees and court costs in addition to any other amounts due.

12. ASSIGNMENT AND DELEGATION.

(a) **No Assignment.** The Borrowers may not assign any of their rights under this note absent the express written consent of the Holder. All voluntary assignments of rights are limited by this subsection.

(b) **No Delegation.** The Borrowers may not delegate any performance under this note absent the express written consent of the Holder.

(c) **Enforceability of an Assignment or Delegation.** If a purported assignment or purported delegation is made in violation of this section, it is deemed void absent the express written consent or ratification of the Holder.

13. SEVERABILITY.

If any one or more of the provisions contained in this note is, for any reason, held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other

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provisions of this note, but this note will be construed as if those invalid, illegal, or unenforceable provisions had never been contained in it, unless the deletion of those provisions would result in such a material change so as to cause completion of the transactions contemplated by this note to be unreasonable.

14. NOTICES.

(a) **Writing; Permitted Delivery Methods.** Each party giving or making any notice, request, demand, or other communication required or permitted by this note shall give that notice in writing and use one of the following types of delivery, each of which is a writing for purposes of this note: personal delivery, mail (registered or certified mail, postage prepaid, return-receipt requested), nationally recognized overnight courier (fees prepaid), facsimile, or email.

(b) **Addresses.** A party shall address notices under this section to a party at the following addresses:

If to the Borrowers:

George H. Gilliam and Christina M. Zabala
1102 Camellia Ridge Drive
Pelham, Alabama 35124
george@unclegspizza.com

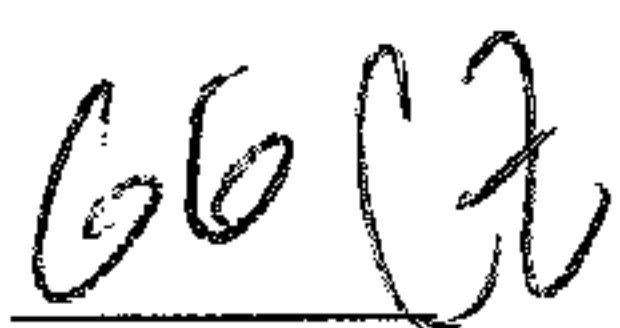
If to the Holder:


Richard F. Engel
9 Jill Drive
Princeton Junction, NJ 08550
engelangels@aol.com

(c) **Effectiveness.** A notice is effective only if the party giving notice complies with subsections (a) and (b) and if the recipient receives the notice.

15. WAIVER.

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this note will be effective unless it is in writing and signed by the party waiving the breach,


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failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, and no waiver will constitute a continuing waiver, unless the writing so specifies.

16. HEADINGS.

The descriptive headings of the sections and subsections of this note are for convenience only, and do not affect this note's construction or interpretation.

17. COUNTERPARTS AND SIGNATURES

This note may be executed in counterparts, each of which shall constitute a fully executed original. This note may be signed digitally or electronically and any digital, electronic or facsimile of any signature affixed hereto shall have the same force and legal effect as an original wet signature.

Each party is signing this agreement on the date stated opposite that party's signature.

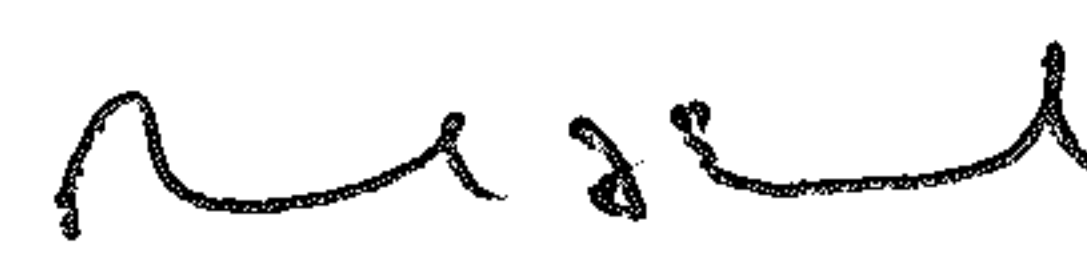
BORROWER:

Date: 11/27/23 By: 
Name: George H. Gilliam

BORROWER:


Date: 11/27/2023 By: 
Name: Christina M. Zabala

HOLDER:

Date: 12-3-2023 By: 
Name: Richard F. Engel

Prepared by:
Jason P. Tortorici
Schilleci & Tortorici, P.C.
100 Centerview Drive
Suite 205
Birmingham, AL 35216
(205) 978-4211


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Filed and Recorded
Official Public Records
Judge of Probate, Shelby County Alabama, County
Clerk
Shelby County, AL
12/15/2023 11:03:30 AM
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Allie S. Bayl