

Fill in this information to identify the case:

Debtor Premier Kings of Georgia, Inc.

United States Bankruptcy Court for the: Northern District of Alabama
(State)

Case number 23-02874

Official Form 410

Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>First Horizon Bank</u> Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor <u>IBERIABANK</u>	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? <u>First Horizon Bank</u> <u>Jeanna McWilliams</u> <u>211 Franklin Road, Suite 300</u> <u>Brentwood, TN 37027, United States</u> Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should payments to the creditor be sent? (if different) Contact phone <u>6292082021</u> Contact email <u>jmcwilliams@firsthorizon.com</u> (see summary page for notice party information) Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____
7. How much is the claim?	\$ <u>2,598,229.18</u> Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>Money loaned.</u>
9. Is all or part of the claim secured?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature or property: <input type="checkbox"/> Real estate: If the claim is secured by the debtor's principle residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>Furniture, Fixtures, Equipment in the Stores.</u> Basis for perfection: <u>Recorded UCC-1s</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: <u>\$150,000.00</u> Amount of the claim that is secured: <u>\$150,000.00</u> Amount of the claim that is unsecured: <u>\$2,448,229.18</u> (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) <u>7.664</u> % <input type="checkbox"/> Fixed <input checked="" type="checkbox"/> Variable
10. Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check all that apply:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Amount entitled to priority

\$ _____

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. 503(b)(9)?

☒ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 12/27/2023
MM / DD / YYYY

/s/Danielle E. Douglas
Signature

Print the name of the person who is completing and signing this claim:

Name Danielle E. Douglas
First name Middle name Last name

Title Attorney

Company Adams and Reese LLP
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 1901 Sixth Ave N, Suite 1110, Birmingham, AL, 35203, United States

Contact phone 2052505024 Email danielle.douglas@arlaw.com



KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 927-7089 | International (310) 751-2656

Debtor: 23-02874 - Premier Kings of Georgia, Inc. District: Northern District of Alabama, Birmingham Division		
Creditor: First Horizon Bank Jeanna McWilliams 211 Franklin Road, Suite 300 Brentwood, TN, 37027 United States Phone: 6292082021 Phone 2: Fax: Email: jmcwilliams@firsthorizon.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded Related Document Statement:	
	Has Related Claim: No Related Claim Filed By:	
	Filing Party: Authorized agent	
Disbursement/Notice Parties: Danielle Douglas 1901 Sixth Ave N Suite 1110 Birmingham, AL, 35203 Phone: 2052505024 Phone 2: Fax: E-mail: danielle.douglas@arlaw.com		
Other Names Used with Debtor: IBERIABANK	Amends Claim: No Acquired Claim: No	
Basis of Claim: Money loaned.	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 2,598,229.18	Includes Interest or Charges: Yes	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: Yes: 150,000.00 Amount of 503(b)(9): No Based on Lease: No Subject to Right of Setoff: No	Nature of Secured Amount: Other Describe: Furniture, Fixtures, Equipment in the Stores. Value of Property: 150,000.00 Annual Interest Rate: 7.664%, Variable Arrearage Amount: Basis for Perfection: Recorded UCC-1s Amount Unsecured: 2,448,229.18	

Submitted By:

Danielle E. Douglas on 27-Dec-2023 5:30:29 p.m. Eastern Time

Title:

Attorney

Company:

Adams and Reese LLP

Optional Signature Address:

1901 Sixth Ave N

Suite 1110

Birmingham, AL, 35203

United States

Telephone Number:

2052505024

Email:

danielle.douglas@arlaw.com

Premier Kings of Georgia, Inc.			23-02874					
Proof of Claim Itemization			As of Oct. 25, 2023					
Loan #	Loan Name	Borrower:	Guaranteed By:	Interest Rate	Principal	Interest	Late Fees	Total
*****9431	Port Wentworth FF&E	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	SOFR + 2.36448%	\$328,816.91	\$6,800.14	\$0.00	\$335,617.05
*****9432	Port Wentworth Real Estate	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	SOFR + 2.36448%	\$920,161.09	\$3,931.16	\$100.00	\$924,192.25
*****6230	Nahunta FF&E	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	SOFR + 2.36448%	\$131,413.71	\$559.86	\$0.00	\$131,973.57
*****6229	Nahunta Real Estate	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	SOFR + 2.36448%	\$1,120,729.17	\$4,788.03	\$0.00	\$1,125,517.20
	Legal Fees on 9431, 9432, 6230, & 6229	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	N/A	N/A	N/A	N/A	\$75,129.11
	Appraisal Fees on 9431, 9432, 6230, & 6229	Premier Holdings of Georgia, LLC	Premier Kings of Georgia, Inc.	N/A	N/A	N/A	N/A	\$5,800.00
							TOTAL CLAIM:	\$2,598,229.18

PROMISSORY NOTE

\$517,500.00

May 17, 2019

For value received, without grace, **Premier Holdings of Georgia, LLC**, a Georgia limited liability company (the "Borrower"), promises to pay to the order of **IBERIABANK**, a Louisiana state chartered bank (the "Lender") (the Lender, hereinafter, along with any other holder of this note, called the "Creditor"), at the office of the Lender, the principal sum of Five Hundred Seventeen Thousand Five Hundred and No/100 Dollars (\$517,500.00), or so much thereof as may be advanced hereunder, on the dates and in the amounts provided in the Loan Agreement (as defined below), and to pay interest on the unpaid principal balance thereof, at such office, until paid in full at the rate or rates per annum and on the dates provided in the Loan Agreement.

This Note is the Note referred to in the Loan Agreement dated as of the date hereof (as modified, supplemented, extended and in effect from time to time, the "Loan Agreement"), by and between the Borrower and the Lender, and evidences the Loan proceeds advanced by the Lender thereunder. The terms and conditions of the Loan Agreement are incorporated herein by reference. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayment of the Loan proceeds advanced by the Lender upon the terms and conditions specified therein.

The Borrower waives demand, presentment, protest, notice of protest, suit and all other requirements necessary to hold it liable, and the Borrower agrees that time of payment may be extended or renewal notes taken or other indulgences granted without notice of, or consent to, such action, and without release of liability. The Borrower agrees to pay after default all costs of collecting or securing or attempting to collect or secure this Note, including reasonable attorneys' fees.

The Borrower hereby waives as to this debt or any renewal or extension thereof all rights of exemption under the constitution or laws of Alabama or any other state as to personal property.

This Note has been executed by the Borrower without condition that anyone else should sign or become bound hereunder and without any other conditions whatever being made. The provisions hereof are binding on the successors and assigns of the Borrower, and shall inure to the benefit of the Creditor, its successors and assigns.

The Creditor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid against the Creditor unless in writing and signed by the Creditor. All rights and remedies of the Creditor hereunder and under any statute or rule of law shall be cumulative and may be exercised

Equipment Loan- Port Wentworth, GA

successively or concurrently. This note shall be governed by and construed in accordance with the laws of the State of Alabama.

Premier Holdings of Georgia, LLC

By

Name: Manraj "Patrick" Sidhu

Title: Manager

Tax I.D. Number 47-2594713

PROMISSORY NOTE

\$1,030,000.00

May 17, 2019

For value received, without grace, **Premier Holdings of Georgia, LLC**, a Georgia limited liability company (the "Borrower"), promises to pay to the order of **IBERIABANK**, a Louisiana state chartered bank (the "Lender") (the Lender, hereinafter, along with any other holder of this note, called the "Creditor"), at the office of the Lender, the principal sum of One Million Thirty Thousand and No/100 Dollars (\$1,030,000.00), or so much thereof as may be advanced hereunder, on the dates and in the amounts provided in the Loan Agreement (as defined below), and to pay interest on the unpaid principal balance thereof, at such office, until paid in full at the rate or rates per annum and on the dates provided in the Loan Agreement.

This Note is the Note referred to in the Loan Agreement dated as of the date hereof (as modified, supplemented, extended and in effect from time to time, the "Loan Agreement"), by and between the Borrower and the Lender, and evidences the Loan proceeds advanced by the Lender thereunder. The terms and conditions of the Loan Agreement are incorporated herein by reference. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayment of the Loan proceeds advanced by the Lender upon the terms and conditions specified therein.

The Borrower waives demand, presentment, protest, notice of protest, suit and all other requirements necessary to hold it liable, and the Borrower agrees that time of payment may be extended or renewal notes taken or other indulgences granted without notice of, or consent to, such action, and without release of liability. The Borrower agrees to pay after default all costs of collecting or securing or attempting to collect or secure this Note, including reasonable attorneys' fees.

The Borrower hereby waives as to this debt or any renewal or extension thereof all rights of exemption under the constitution or laws of Alabama or any other state as to personal property.

This Note has been executed by the Borrower without condition that anyone else should sign or become bound hereunder and without any other conditions whatever being made. The provisions hereof are binding on the successors and assigns of the Borrower, and shall inure to the benefit of the Creditor, its successors and assigns.

The Creditor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid against the Creditor unless in writing and signed by the Creditor. All rights and remedies of the Creditor hereunder and under any statute or rule of law shall be cumulative and may be exercised successively or concurrently. This note shall be governed by and construed in accordance with the laws of the State of Alabama.

Real Estate Loan- Port Wentworth, GA

Premier Holdings of Georgia, LLC

By: 

Name: Manraj "Patrick" Sidhu

Title: Manager

Tax I.D. Number 47-2594713

PROMISSORY NOTE
(Amended, Restated and Increased)

\$1,114,948.92

October 23, 2019

THIS NOTE IS AN INCREASE, AMENDMENT AND RESTATEMENT OF THAT CERTAIN PROMISSORY NOTE IN THE PRINCIPAL AMOUNT OF \$1,030,000.00, EXECUTED BY PREMIER HOLDINGS OF GEORGIA, LLC, A GEORGIA LIMITED LIABILITY COMPANY TO THE ORDER OF IBERIABANK, A LOUISIANA STATE CHARTERED BANK, DATED MAY 17, 2019 (THE "ORIGINAL NOTE").

For value received, without grace, **Premier Holdings of Georgia, LLC**, a Georgia limited liability company (the "Borrower"), promises to pay to the order of **IBERIABANK**, a Louisiana state chartered bank (the "Lender") (the Lender, hereinafter, along with any other holder of this note, called the "Creditor"), at the office of the Lender, the principal sum of One Million One Hundred Fourteen Thousand Nine Hundred Forty-Eight and 92/100 Dollars (\$1,114,948.92), or so much thereof as may be advanced hereunder, on the dates and in the amounts provided in the Loan Agreement (as defined below), and to pay interest on the unpaid principal balance thereof, at such office, until paid in full at the rate or rates per annum and on the dates provided in the Loan Agreement.

This Note is the Note referred to in the Loan Agreement dated as of May 17, 2019 (as amended, modified, supplemented, extended and in effect from time to time, the "Loan Agreement"), by and between the Borrower and the Lender, and evidences the Loan proceeds advanced by the Lender thereunder. The terms and conditions of the Loan Agreement are incorporated herein by reference. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayment of the Loan proceeds advanced by the Lender upon the terms and conditions specified therein.

The Borrower waives demand, presentment, protest, notice of protest, suit and all other requirements necessary to hold it liable, and the Borrower agrees that time of payment may be extended or renewal notes taken or other indulgences granted without notice of, or consent to, such action, and without release of liability. The Borrower agrees to pay after default all costs of collecting or securing or attempting to collect or secure this Note, including reasonable attorneys' fees.

The Borrower hereby waives as to this debt or any renewal or extension thereof all rights of exemption under the constitution or laws of Alabama or any other state as to personal property.

This Note has been executed by the Borrower without condition that anyone else should sign or become bound hereunder and without any other conditions whatever being made.

Real Estate Loan- Port Wentworth, GA

The provisions hereof are binding on the successors and assigns of the Borrower, and shall inure to the benefit of the Creditor, its successors and assigns.

The Creditor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid against the Creditor unless in writing and signed by the Creditor. All rights and remedies of the Creditor hereunder and under any statute or rule of law shall be cumulative and may be exercised successively or concurrently. This note shall be governed by and construed in accordance with the laws of the State of Alabama.

Notwithstanding the execution of this Note, the indebtedness evidenced by the Original Note shall remain in full force and effect, and nothing contained herein shall be interpreted or construed as resulting in a novation of such indebtedness. The Borrower acknowledges and agrees that there are no offsets or defenses to payment of the obligations evidenced by the Original Note, as hereby increased, amended and restated, and hereby waive any defense, claim or counterclaim of the Borrower regarding the obligations of the Borrower under the Original Note, as increased, amended and restated herein. The Borrower represents that there are no conditions of default or facts or consequences which would with notice or the passage of time lead to a default under the obligations due from the Borrower under the Original Note, as increased, amended and restated herein.

Premier Holdings of Georgia, LLC

By: 

Name: Manraj "Patrick" Sidhu

Title: Manager

Tax I.D. Number 47-2594713

SECURITY AGREEMENT

This SECURITY AGREEMENT (this "Agreement"), dated as of May 17, 2019, is made by **Premier Kings of Georgia Inc.**, a Georgia corporation ("Grantor"), in favor of **IBERIABANK**, a Louisiana state chartered bank, and its successors and assigns ("Secured Party").

WITNESSETH:

WHEREAS, pursuant to that certain Loan Agreement dated of even date herewith by and between Premier Holdings of Georgia, LLC, a Georgia limited liability company ("Borrower") and Secured Party (as amended, modified, supplemented or restated from time to time, the "Loan Agreement"), the Secured Party has agreed to make an equipment loan to the Borrower in the original principal amount of up to \$517,500 (the "Loan"); and

WHEREAS, the obligations of the Secured Party to make the Loan under the Loan Agreement are conditioned upon, among other things, the execution and delivery by Grantor of a Security Agreement in the form hereof to secure (a) the due and punctual payment and performance by Borrower of all Obligations (as defined in the Loan Agreement) under or pursuant to the Loan Agreement and the other Loan Documents, and any renewals, modifications or extensions thereof, in whole or in part, (b) the due and punctual payment and performance by Borrower of all indebtedness, liabilities, and obligations of any and every kind and nature heretofore, now or hereafter owing, due or payable from Borrower arising under, or in connection with, Hedge Agreements and any renewals, modifications or extensions thereof, in whole or in part, (c) the due and punctual payment and performance by Borrower of all future advances and re-advances of the foregoing that may subsequently be made to Borrower by any Secured Party, evidenced by the Loan Agreement or any other Loan Document or Hedge Agreement, and (d) the due and punctual payment and performance by Borrower of all renewals, replacements, extensions or modifications of the foregoing (collectively, the "Secured Obligations"); provided, however, the term "Secured Obligations" as used herein shall not include any obligation arising under any "swap" (as such term is defined in the Commodity Exchange Act, as in effect from time to time, and the official rules and regulations promulgated thereunder (collectively, the "CEA")) to the extent that the securing of such swap obligation by Borrower would be impermissible or illegal under the CEA.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the adequacy, receipt, and sufficiency of which are hereby acknowledged, and in order to induce the Secured Party to make extensions of credit pursuant to the Loan Agreement, the parties hereto hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

(a) All terms used in this Agreement and the recitals hereto which are defined in the Loan Agreement or in the UCC as in effect in the State of Georgia and which are not otherwise defined herein shall have the same meanings herein as set forth therein; provided that terms used herein which are defined in the UCC as in effect in the State of Georgia on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute.

(b) The following terms shall have the respective meanings provided for in the UCC: "Equipment", "Fixtures", and "Proceeds".

(c) As used in this Agreement, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

“Event of Default” has the meaning ascribed to such term in the Loan Agreement.

“UCC” means the Uniform Commercial Code as in effect in the State of Georgia and/or any other jurisdiction the laws of which may be applicable to or in connection with the creation, perfection or priority of any Lien on any Collateral.

Section 1.2. Other Definitional Provisions. References to “Sections,” “subsections,” “Exhibits,” and “Schedules” shall be to Sections, subsections, Exhibits and Schedules, respectively, of this Agreement unless otherwise specifically provided. All definitions contained in this Agreement are equally applicable to the singular and plural forms of the terms defined. All references to statutes and regulations shall include any amendments of the same and any successor statutes and regulations. References to particular sections of the UCC should be read to refer also to parallel sections of the Uniform Commercial Code as enacted in each state or other jurisdiction where any portion of the Collateral is or may be located. Terms used herein, which are defined in the UCC, unless otherwise defined herein or in the Loan Agreement, shall have the meanings determined in accordance with the UCC.

ARTICLE II SECURITY INTEREST

Section 2.1. Security Interest. As collateral security for the prompt payment and performance in full when due of the Secured Obligations (whether at stated maturity, by acceleration, or otherwise), Grantor hereby pledges and assigns to Secured Party, and grants to Secured Party a continuing lien on and security interest in, all Equipment, Fixtures and furniture of Grantor, located at or which are used in connection with the property described on Schedule 3.1 and the improvements located thereon from time to time and whether now or hereafter existing and whether now owned or hereafter acquired, of every kind and description (the “Collateral”).

Notwithstanding anything to the contrary contained in this Agreement, the Secured Obligations secured under this Agreement shall not exceed an aggregate amount equal to the greatest amount that would not render Grantor’s indebtedness, liabilities or obligations under this Agreement subject to avoidance under Sections 544, 548 or 550 of the Federal Bankruptcy Code or subject to being set aside or annulled under any applicable state law relating to fraud on creditors; provided, however, that, for purposes of the immediately preceding clause, it shall be presumed that the Secured Obligations do not equal or exceed any aggregate amount which would render Grantor’s indebtedness, liabilities or obligations under this Agreement subject to being so avoided, set aside or annulled, and the burden of proof to the contrary shall be on the party asserting to the contrary. Subject to but without limiting the generality of the foregoing sentence, the provisions of this Agreement are severable and, in any legally binding action or proceeding involving any state corporate law or any bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors’ rights and general principles of equity, if the indebtedness, liabilities or obligations of Grantor hereunder would otherwise be held or determined to be void, invalid or unenforceable on account of the amount of its indebtedness, liabilities or obligations under this Agreement, then, notwithstanding any other provision of this Agreement to the contrary, the amount of such indebtedness, liabilities or obligations shall, without any further action by Grantor, Secured Party or any other Person, be automatically limited and reduced to the greatest amount which is valid and enforceable as determined in such action or proceeding.

Section 2.2. Grantor Remains Liable. Notwithstanding anything to the contrary contained herein, (a) Grantor shall remain liable under the documentation included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Secured Party of any of its rights or remedies hereunder shall not release Grantor from any of its duties or obligations under such documentation, (c) Secured Party shall not have any obligation under any of such documentation included in the Collateral by reason of this Agreement, and (d) Secured Party shall not be obligated to perform any of the obligations of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 2.3. Security Agreement Absolute. All rights of Secured Party and the security interests granted to Secured Party hereunder, and all obligations of Grantor hereunder, shall be absolute and unconditional, irrespective of any of the following conditions, occurrences or events: (a) any lack of validity or enforceability of any Loan Document other than this Agreement; (b) the failure of Secured Party to assert any claim or demand or to enforce any right or remedy against Grantor or any other Person under the provisions of any Loan Document or otherwise or to exercise any right or remedy against any other guarantor of, or collateral securing, any Secured Obligation; (c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations or any other extension, compromise or renewal of any Secured Obligation, including any increase in the Secured Obligations resulting from the extension of additional credit to Grantor or any other obligor or otherwise; (d) any reduction, limitation, impairment or termination of any Secured Obligation for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligation or otherwise; (e) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of any Loan Document; (f) any addition, exchange, release, surrender or non-perfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any of the Secured Obligations; or (g) any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, Grantor, any other Loan Party or otherwise.

ARTICLE III REPRESENTATIONS AND WARRANTIES

To induce Secured Party to enter into this Agreement and the Loan Agreement, Grantor represents and warrants as follows:

Section 3.1. Location of Collateral; Third Parties in Possession. On the date hereof, all of the Collateral (if any) is located at the places specified in Schedule 3.1. Schedule 3.1 correctly identifies all premises owned or leased by Grantor and all mortgages and all landlords and tenants of premises that Grantor leases. Except for the Persons identified on Schedule 3.1, no Person other than Grantor and Secured Party has possession of any of the Collateral, except to the extent any de minimus Collateral is temporarily in the possession of a vendor or customer of Grantor in the ordinary course of business. None of the Collateral has been located in any location within the past four (4) months other than as set forth on Schedule 3.1 for Grantor.

Section 3.2. Legal Names; Office Locations; Identification Numbers. Schedule 3.2 hereto sets forth as of the date of this Agreement (i) the exact legal name of Grantor, (ii) the state of organization of Grantor, (iii) the organizational identification number of Grantor or states that no such organizational identification number exists, (iv) the United States Federal Income Tax Identification Number of Grantor,

(v) the principal place of business and the chief executive office of Grantor, and (vi) all other places where Grantor keeps its books and records concerning the Collateral and all other locations where Grantor has a place of business. Grantor does not do business or has not done business under any trade-name or fictitious business name except as disclosed on Schedule 3.2.

Section 3.3. Title. Grantor has rights in and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder free and clear of any and all Liens. No effective security agreement, financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed in favor of Secured Party pursuant to this Agreement or the other Loan Documents. This Agreement is effective to create a valid and continuing Lien on and, upon the filing of the appropriate financing statements listed on Schedule 3.3 hereto, a perfected Lien in favor of Secured Party on the Collateral with respect to which a Lien may be perfected by filing pursuant to the UCC. Such Lien is prior to all other Liens and is enforceable as such as against any and all creditors of and purchasers from Grantor. All action by Grantor necessary or desirable to protect and perfect such Lien on each item of the Collateral has been duly taken.

Section 3.4. Certain Property. None of the Collateral constitutes, and Grantor does not own, (a) standing timber that is to be cut and removed under a conveyance or contract for sale, (b) animals, (c) farm products, crops grown, growing, or to be grown, even if the crops are produced on trees, vines or bushes, or (d) manufactured homes.

ARTICLE IV COVENANTS

Grantor covenants and agrees that, as long as the Secured Obligations or any part thereof are outstanding or any Lender has any Commitment or any amount payable under any Loan remains unpaid under the Loan Agreement, Grantor will perform and observe each of the following covenants:

Section 4.1. Collateral Generally. Grantor covenants with Secured Party as follows: (a) the Collateral will be kept at those locations listed on Schedule 3.1 and Grantor will not remove the Collateral from such locations, except as permitted by the Loan Agreement, without providing at least thirty (30) days prior written notice to Secured Party; (b) except for the security interest herein granted and liens permitted by the Loan Agreement, Grantor shall be the owner of the Collateral free from any right or claim of any other person, Lien, security interest or other encumbrance, and Grantor shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to Secured Party; (c) Grantor shall not pledge, mortgage or create, or suffer to exist any right of any person in or claim by any person to the Collateral, or any security interest, Lien or encumbrance in the Collateral in favor of any person, other than Secured Party; (d) Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon; (e) Grantor will permit Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located and will furnish to Secured Party, from time to time upon Secured Party's request, statements and schedules further identifying and describing the Collateral; (f) Grantor will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement; (g) Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances; (h) Grantor will not sell or otherwise dispose, or offer to sell or otherwise dispose, of the Collateral or any interest therein except for dispositions permitted by the Loan Agreement; and (i) Grantor shall notify Secured Party promptly of any Collateral

which constitutes a claim against the United States government or any instrumentality or agent thereof, the assignment of which is restricted by federal law, and upon the request of Secured Party, Grantor shall take such steps as may be necessary to comply with any applicable federal assignment of claims laws or other comparable laws.

Section 4.2. Company Changes. Grantor not shall change its name, identity, corporate structure, state of organization or its United States Tax Identification Number in any manner that might make any financing statement filed in connection with this Agreement seriously misleading unless Grantor shall have given Secured Party not less than thirty (30) days prior written notice thereof and shall have taken all action reasonably deemed necessary or desirable by Secured Party to protect Secured Party's Liens with the perfection and priority thereof required by the Loan Documents. Grantor shall not change its principal place of business, chief executive office, or the place where it keeps its books and records unless it shall have given Secured Party not less than thirty (30) days prior written notice thereof and shall have taken all action reasonably deemed necessary or desirable by Secured Party to cause its security interest in the Collateral to be perfected with the priority required by the Loan Documents. If Grantor does not have an organizational identification number and later obtains one, Grantor shall promptly notify Secured Party of such organizational identification number. Grantor shall hold and preserve all books and records.

Section 4.3. Insurance Proceeds. The proceeds of any casualty insurance in respect of any casualty loss of any of the Collateral shall be disbursed in accordance with the provisions set forth in the Loan Agreement.

Section 4.4. Other Actions as to Any and All Collateral. Grantor further agrees, at the request and option of Secured Party, to take any and all other actions that Secured Party may determine to be necessary or useful for the attachment, perfection and first priority of, and the ability of Secured Party to enforce, Secured Party's security interest in any and all of the Collateral, including, without limitation, (a) executing, delivering and, where appropriate, filing such other agreements, documents, instruments and financing statements and amendments and continuation statements relating thereto under the UCC, to the extent, if any, that Grantor's signature thereon is required therefor, (b) causing Secured Party's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of Secured Party to enforce, Secured Party's security interest in such Collateral, (c) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of Secured Party to enforce, Secured Party's security interest in such Collateral, (d) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (e) obtaining waivers from mortgagees and landlords in form and substance satisfactory to Secured Party, and (f) taking all actions under any earlier versions of the UCC or under any other law, as reasonably determined by Secured Party to be applicable in any relevant UCC or other jurisdiction, including any foreign jurisdiction.

With respect to the foregoing and the grant of the security interest hereunder, Grantor hereby authorizes Secured Party to authenticate and to file one or more financing or continuation statements, and amendments thereto, in each case for the purpose of perfecting, continuing, enforcing or protecting the security interest granted by Grantor, without the signature of Grantor, and naming Grantor as debtor and Secured Party as secured party. Such financing statements and amendments (a) may indicate the Collateral (i) as all assets of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC, or (ii) as being of an equal or lesser scope or with greater detail, and (b) shall provide any other information required by part 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including (i)

whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. A carbon, photographic, telecopied or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by any Requirement of Law. Grantor also ratifies its authorization for Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to a financing statement filed in favor of Secured Party without the prior written consent of Secured Party and agrees that it will not do so without the prior written consent of Secured Party, subject to Grantor's rights under Section 9-513(c) of the UCC.

ARTICLE V RIGHTS OF SECURED PARTY

Section 5.1. Power of Attorney. TO THE EXTENT PERMITTED BY APPLICABLE LAW, GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS SECURED PARTY AND ANY OFFICER OR AGENT THEREOF, WITH FULL POWER OF SUBSTITUTION, AS ITS TRUE AND LAWFUL ATTORNEY-IN-FACT WITH FULL IRREVOCABLE POWER AND AUTHORITY IN THE NAME OF GRANTOR OR IN ITS OWN NAME AS AGENT FOR ITSELF TO TAKE, AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF A DEFAULT, ANY AND ALL ACTIONS AND TO EXECUTE ANY AND ALL DOCUMENTS AND INSTRUMENTS WHICH SECURED PARTY AT ANY TIME AND FROM TIME TO TIME DEEMS NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT AND, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, GRANTOR HEREBY GIVES SECURED PARTY THE POWER AND RIGHT ON BEHALF OF GRANTOR AND IN ITS OWN NAME TO DO ANY OF THE FOLLOWING AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF A DEFAULT, WITHOUT NOTICE TO, OR THE CONSENT OF, GRANTOR:

(a) to demand, sue for, collect, or receive, in the name of Grantor or in Secured Party's own name, any money or property at any time payable or receivable on account of or in exchange for any of the Collateral and, in connection therewith, endorse checks, notes, drafts, acceptances, money orders, documents of title, or any other instruments for the payment of money under the Collateral or any policy of insurance;

(b) to the extent that Grantor's authorization given in Article IV is not sufficient, to file such financing statements with respect hereto, with or without Grantor's signature, or a photocopy of this Agreement in substitution for a financing statement, as Secured Party may deem appropriate and to execute in Grantor's name such financing statements and amendments thereto and continuation statements which may require Grantor's signature;

(c) to pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(d) to notify post office authorities to change the address for delivery of Grantor's mail to an address designated by Secured Party and to receive, open and dispose of mail addressed to Grantor, and Secured Party shall make reasonable efforts to forward to Grantor that mail which is not related to the Collateral;

(e) to receive payment of and receipt for any and all monies, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral;

(f) to commence and prosecute any suit, action, or proceeding at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral;

(g) to defend any suit, action, or proceeding brought against Grantor with respect to any Collateral;

(h) to settle, compromise, or adjust any suit, action, or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate;

(i) to exchange any of the Collateral for other property upon any merger, consolidation, reorganization, recapitalization, or other readjustment of the issuer thereof and, in connection therewith, deposit any of the Collateral with any committee, depository, transfer agent, registrar, or other designated agency upon such terms as Secured Party may determine;

(j) to add or release any guarantor, indorser, surety, or other party to any of the Collateral;

(k) to renew, extend, or otherwise change the terms and conditions of any of the Collateral;

(l) to make, settle, compromise, or adjust any claims under or pertaining to any of the Collateral (including claims under any policy of insurance);

(m) to sell, transfer, pledge, convey, make any agreement with respect to, or otherwise deal with any of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for all purposes; and

(n) to do, at Secured Party's option and Grantor's expense, at any time, or from time to time, all acts and things which Secured Party deems necessary to protect, preserve, maintain, or realize upon the Collateral and Secured Party's security interest therein.

THIS POWER OF ATTORNEY IS A POWER COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH SECTION 7.11 HEREOF. This power of attorney is conferred on Secured Party solely to protect, preserve, maintain, and realize upon its security interest in the Collateral.

Section 5.2. Assignment by Secured Party. Secured Party may at any time assign or otherwise transfer all or any portion of its rights and obligations under this Agreement and the other Loan Documents (including, without limitation, the Secured Obligations) to any other Person, to the extent permitted by, and upon the conditions contained in, the Loan Agreement, and such Person shall thereupon become vested with all the benefits thereof granted to Secured Party herein or otherwise.

Section 5.3. Possession; Reasonable Care. Secured Party may, from time to time, in its sole discretion, appoint one or more agents to hold physical custody, for the account of Secured Party, of any or all of the Collateral that Secured Party has a right to possess. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which Secured Party accords its own property, it being understood that Secured Party shall not have any responsibility for (a) ascertaining or taking action with

respect to calls, conversions, exchanges, maturities, tenders, or other matters relative to any Collateral, whether or not Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral.

Section 5.4. Notification to Persons Obligated on Collateral. Secured Party may, at any time following the occurrence and during the continuance of any Event of Default, whether before or after any revocation of such power and authority or the maturity of any of the Secured Obligations, notify any parties obligated on any of the Collateral to make payment to Secured Party of any amounts due or to become due thereunder and enforce collection of any of the Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby. Upon request of Secured Party after the occurrence and during the continuance of any Event of Default, Grantor will, at its own expense, notify any parties obligated on any of the Collateral to make payment to Secured Party of any amounts due or to become due thereunder.

Section 5.5. Secured Party May Perform. If Grantor fails to perform any agreement contained herein, Secured Party may itself perform, or cause performance of, such agreement, and the expenses of Secured Party incurred in connection therewith shall be payable by Grantor.

Section 5.6. Secured Party Has No Duty.

(a) In addition to, and not in limitation of, Section 2.2, the powers conferred on Secured Party hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Neither Secured Party nor any of its officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof (including the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral). Neither Secured Party nor any of its officers, directors, employees or agents shall be responsible to Grantor for any act or failure to act hereunder or any error of judgment or any mistake of fact or law, except for their own gross negligence or willful misconduct. Secured Party shall not be responsible for any decline in the value of the Collateral and shall not be required to take any steps to preserve rights against prior parties or to protect, preserve, or maintain any Lien given to secure the Collateral.

(b) Grantor assumes all responsibility and liability arising from or relating to the use, sale or other disposition of the Collateral. The Secured Obligations shall not be affected by any failure of Secured Party to take any steps to perfect the security interest granted hereunder or to collect or realize upon the Collateral, nor shall loss of or damage to the Collateral release Grantor from any of its Secured Obligations.

ARTICLE VI DEFAULT

Section 6.1. Rights and Remedies. If an Event of Default shall have occurred and be continuing, Secured Party shall have the following rights and remedies:

(a) In addition to all other rights and remedies granted to Secured Party in this Agreement or in any other Loan Document or by applicable law, Secured Party shall have all of the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Collateral). Without limiting the generality of the foregoing, Secured Party may (i) without demand or notice to Grantor or any

other person, collect, receive or take possession of the Collateral or any part thereof and for that purpose Secured Party may enter upon any premises on which the Collateral is located and remove the Collateral therefrom or render it inoperable, (ii) sell, lease, or otherwise dispose of the Collateral, or any part thereof, in one or more parcels at public or private sale or sales, at Secured Party's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as Secured Party may deem commercially reasonable or otherwise as may be permitted by law, (iii) cause any or all of the Collateral held by it to be transferred into the name of Secured Party or the name or names of Secured Party's nominee or nominees, and/or (iv) collect or receive all money or property at any time payable or receivable on account of or in exchange for any of the Collateral, but shall be under no obligation to do so.

(b) Secured Party may exercise any and all rights and remedies of Grantor under or in respect of the Collateral, including, without limitation, any and all rights of Grantor to demand or otherwise require payment of any amount under, or performance of any provision of, any of the Collateral and any and all voting rights and corporate powers in respect of the Collateral. Grantor shall execute and deliver (or cause to be executed and delivered) to Secured Party all such proxies and other instruments as Secured Party may reasonably request for the purpose of enabling Secured Party to exercise the voting and other rights which it is entitled to exercise pursuant to this clause (b) and to receive the dividends, interest, and other distributions which it is entitled to receive hereunder.

(c) Secured Party shall have the right at any public sale or sales, and, to the extent permitted by applicable law, at any private sale or sales, to bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) and become a purchaser of the Collateral or any part thereof free of any right or equity of redemption on the part of Grantor, which right or equity of redemption is hereby expressly waived and released by Grantor. Upon the request of Secured Party, Grantor shall assemble the Collateral and make it available to Secured Party at any place designated by Secured Party. Grantor agrees that Secured Party shall not be obligated to give more than ten (10) days prior written notice of the time and place of any public sale or of the time after which any private sale may take place and that such notice shall constitute reasonable notice of such matters. Secured Party shall not be obligated to make any sale of Collateral if it shall determine not to do so, regardless of the fact that notice of sale of Collateral may have been given. Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. Grantor shall be liable for all reasonable expenses of retaking, holding, preparing for sale, or the like, and all reasonable attorneys' fees, legal expenses, and other costs and expenses incurred by Secured Party in connection with the collection of the Secured Obligations and the enforcement of Secured Party's rights under this Agreement. Grantor shall remain liable for any deficiency if the Proceeds of any sale or other disposition of the Collateral applied to the Secured Obligations are insufficient to pay the Secured Obligations in full. Secured Party may apply the Collateral against the Secured Obligations as provided in the Loan Agreement. Grantor waives all rights of marshaling, valuation, and appraisal in respect of the Collateral. Any cash held by Secured Party as Collateral and all cash proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of Secured Party, be held by Secured Party as collateral for, and then or at any time thereafter applied in whole or in part by Secured Party against, the Secured Obligations in the order permitted by the Loan Agreement. Any surplus of such cash or cash proceeds and interest accrued thereon, if any, held by Secured Party and remaining after payment in full of all the Secured Obligations shall be promptly paid over to Grantor or to whomsoever may be lawfully entitled to receive such surplus; provided that Secured Party shall have no obligation to invest or otherwise pay interest on any amounts held by it in connection with or pursuant to this Agreement.

(d) On any sale of the Collateral, Secured Party is hereby authorized to comply with any limitation or restriction with which compliance is necessary, in the opinion of Secured Party's counsel, in order to avoid any violation of applicable law or in order to obtain any required approval of the purchaser or purchasers by any applicable governmental authority.

(e) Upon written notice by Secured Party to Grantor, all Proceeds of Collateral received by Grantor shall be delivered in kind to Secured Party, and Grantor shall not commingle any such proceeds, and shall hold separate and apart from all other property, all such Proceeds in express trust for the benefit of Secured Party until delivery thereof is made to Secured Party. Secured Party will not give the notice referred to in the preceding sentence unless there shall have occurred and be continuing any Event of Default. Secured Party shall have the right to apply any Proceeds to the payment of any Secured Obligations which are due and payable or payable upon demand, or to the payment of any Secured Obligations at any time that any Event of Default shall exist.

Section 6.2. Standards for Exercising Rights and Remedies. To the extent that applicable law imposes duties on Secured Party to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable for Secured Party (a) to fail to incur expenses reasonably deemed significant by Secured Party to prepare Collateral for disposition or otherwise to fail to complete raw material or work in process into finished goods or other finished products for disposition, (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other persons, whether or not in the same business as Grantor, for expressions of interest in acquiring all or any portion of the Collateral, (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the collateral is of a specialized nature, (h) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, (k) to purchase insurance or credit enhancements to insure Secured Party against risks of loss, collection or disposition of Collateral or to provide to Secured Party a guaranteed return from the collection or disposition of Collateral, or (l) to the extent deemed appropriate by Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist Secured Party in the collection or disposition of any of the Collateral. Grantor acknowledges that the purpose of this Section 6.2 is to provide non-exhaustive indications of what actions or omissions by Secured Party would fulfill Secured Party's duties under the UCC or other law of the State of Georgia or any other relevant jurisdiction in Secured Party's exercise of remedies against the Collateral and that other actions or omissions by Secured Party shall not be deemed to fail to fulfill such duties solely on account of not being indicated in this Section 6.2. Without limitation upon the foregoing, nothing contained in this Section 6.2 shall be construed to grant any rights to Grantor or to impose any duties on Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 6.2.

Section 6.3. Waivers. Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Secured Obligations and the Collateral, Grantor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as Secured Party may deem advisable. Secured Party shall have no

duty as to the collection or protection of the Collateral or any income therefrom, the preservation of rights against prior parties, or the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in Section 5.3. Grantor further waives any and all other suretyship defenses. Grantor hereby waives any right, to the extent permitted by applicable Requirement of Law, to receive prior notice of or a judicial or other hearing with respect to any action or prejudgment remedy or proceeding by Secured Party to take possession, exercise control over or dispose of any item of Collateral where such action is permitted under the terms of this Agreement or any other Loan Document or by applicable Requirement of Law or the time, place or terms of sale in connection with the exercise of Secured Party's rights hereunder. Grantor waives, to the extent permitted by applicable Requirement of Law, any bonds, security or sureties required by Secured Party with respect to any of the Collateral. Grantor also waives any damages (direct, consequential or otherwise) occasioned by the enforcement of Secured Party's rights under this Agreement or any other Loan Document, including, the taking of possession of any Collateral, all to the extent that such waiver is permitted by applicable Requirement of Law. Grantor also consents that Secured Party, in connection with the enforcement of Secured Party's rights and remedies under this Agreement, may enter upon any premises owned by or leased to it without obligations to pay rent or for use and occupancy, through self-help, without judicial process and without having first obtained an order of any court. These waivers and all other waivers provided for in this Agreement and the other Loan Documents have been negotiated by the parties and Grantor acknowledges that it has been represented by counsel of its own choice and has consulted such counsel with respect to its rights hereunder.

ARTICLE VII MISCELLANEOUS

Section 7.1. No Waiver; Cumulative Remedies. No failure on the part of Secured Party to exercise and no delay in exercising, and no course of dealing with respect to, any right, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies provided for in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

Section 7.2. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Grantor and Secured Party and their respective successors and assigns, except that Grantor may not assign any of its rights or obligations under this Agreement without the prior written consent of Secured Party. Secured Party and each Lender may at any time assign or otherwise transfer all or any portion of their rights and obligations under this Security Agreement and the other Loan Documents (including, without limitation, the Secured Obligations) to any other Person, to the extent permitted by, and upon the conditions contained in, the Loan Agreement, and such Person shall thereupon become vested with all the benefits thereof granted to Secured Party herein or otherwise

Section 7.3. Amendment; Entire Agreement. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO. THE PROVISIONS OF THIS AGREEMENT MAY BE AMENDED OR WAIVED ONLY BY AN INSTRUMENT IN WRITING SIGNED BY THE PARTIES HERETO.

Section 7.4. Notices. All notices and other communications provided for in this Agreement shall be given or made in accordance with the Loan Agreement.

Section 7.5. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ALABAMA AND APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Section 7.6. Headings. The headings, captions, and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

Section 7.7. Survival of Representations and Warranties. All representations and warranties made in this Agreement or in any certificate delivered pursuant hereto shall survive the execution and delivery of this Agreement, and no investigation by Secured Party shall affect the representations and warranties or the right of Secured Party to rely upon them.

Section 7.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Section 7.9. Waiver of Bond. In the event Secured Party seeks to take possession of any or all of the Collateral by judicial process, Grantor hereby irrevocably waives any bonds and any surety or security relating thereto that may be required by applicable law as an incident to such possession, and waives any demand for possession prior to the commencement of any such suit or action.

Section 7.10. Severability. Any provision of this Agreement which is determined by a court of competent jurisdiction to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 7.11. Termination. If all of the Secured Obligations shall have been paid and performed in full and the Commitment of Secured Party under the Loan Agreement shall have expired or terminated, Secured Party shall, upon the written request of Grantor, execute and deliver to Grantor a proper instrument or instruments acknowledging the release and termination of the security interests created by this Agreement, and shall duly assign and deliver to Grantor, as applicable, (without recourse and without any representation or warranty, except that Secured Party has not previously assigned or transferred such Collateral) such of the Collateral as may be in the possession of Secured Party and has not previously been sold or otherwise applied pursuant to this Agreement. Notwithstanding anything to the contrary contained in this Agreement, if the payment of any amount of the Secured Obligations is rescinded, voided or must otherwise be refunded by Secured Party or any Lender upon the insolvency, bankruptcy or reorganization of Grantor or any other Loan Party or otherwise for any reason whatsoever, then the security interests created by this Agreement will be automatically reinstated and become automatically effective and in full force and effect, all to the extent that and as though such payment so rescinded, voided or otherwise refunded had never been made and such release and termination of such security interest had never been given.

(Signatures commence on the following page.)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

GRANTOR:

Premier Kings of Georgia Inc.

By: 

Name: Manraj "Patrick" Sidhu

Title: President

SECURED PARTY:

IBERIABANK

By: Donald W. Dobbins, Jr.
Name: Donald W. Dobbins, Jr.
Title: Senior Vice President

Schedule 3.1

Location of Collateral; Third Parties in Possession

Parties in Possession: Premier Kings of Georgia Inc.

Location: Port Wentworth, Georgia

Schedule 3.2

Legal Names; Office Locations; Identification Numbers

Legal Name: Premier Kings of Georgia Inc.

State of Organization: Georgia

United States Federal Income Tax Identification Number: 46-1739797

Principal place of business: 3300 Eastern Blvd., Montgomery, Alabama 36116

Location of Books and Records: 3300 Eastern Blvd., Montgomery, Alabama 36116

Schedule 3.3

UCC Financing Statement Filing Offices

In the Central Filing Records of the Clerk of Chatham County, Georgia

Type: SD
Kind: SECURITY DEED
Recorded: 5/20/2019 3:11:00 PM
Fee Amt: \$68.00 Page 1 of 30
Chatham, Ga. Clerk Superior Court
Tammie Mosley Clerk Superior Court

Participant ID: 6405611605

BK 1623 PG 24 - 53

AFTER RECORDING, RETURN TO:
James L. Webb
Bradley Arant Boult Cummings LLP
1819 Fifth Avenue North
Birmingham, Alabama 35203

After recording return to:
Calloway Title & Escrow, LLC
David W. Dudley 2-36359
4170 Ashford Dunwoody Rd. Ste. 525
Atlanta, Georgia 30319

**LEASEHOLD ACCOMMODATION DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES**

by

PREMIER KINGS OF GEORGIA INC.,
a Georgia corporation,
as Grantor

to and in favor of

IBERIABANK
a Louisiana state chartered bank,
as Grantee

Dated: As of May 17, 2019

Location: Port Wentworth, Georgia

County: Chatham County

NOTE TO CLERK: THE NOTE SECURED HEREBY MATURES ON MAY 16, 2026.

A POWER OF SALE HAS BEEN GRANTED IN THIS SECURITY DEED, PURSUANT TO WHICH GRANTEE MAY TAKE THE PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A JUDICIAL FORECLOSURE ACTION UPON DEFAULT BY GRANTOR UNDER THIS SECURITY DEED.

THIS SECURITY DEED IS A CONSTRUCTION MORTGAGE WITHIN THE MEANING OF SECTION 334(h) OF ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE AND SECURES AN OBLIGATION INCURRED FOR THE CONSTRUCTION OF AN IMPROVEMENT UPON LAND.

**LEASEHOLD ACCOMMODATION DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES**

THIS LEASEHOLD ACCOMMODATION DEED TO SECURE DEBT, SECURITY AGREEMENT, AND ASSIGNMENT OF RENTS AND LEASES (this "*Security Deed*") is made and entered into as of the 17th day of May, 2019, by **PREMIER KINGS OF GEORGIA INC.**, a Georgia corporation, whose address is 3300 Eastern Blvd., Montgomery, Alabama 36116 (the "*Grantor*"), in favor of **IBERIABANK**, a Louisiana state chartered bank, whose address is 2340 Woodcrest Place, Birmingham, Alabama 35209, Attention: Donnie Dobbins, and its respective successors and assigns (the "*Grantee*").

Recitals

A. Premier Holdings of Georgia, LLC, a Georgia limited liability company (the "*Borrower*") is, or hereafter shall be, justly indebted to the Grantee in the principal sum not to exceed \$1,030,000, as evidenced by that certain Promissory Note dated as of the date hereof, which shall mature eighty-four (84) months after the date hereof, and are made payable by the Borrower to the order of the Grantee in the aggregate principal amount of the Loan (as the same may be modified, amended, supplemented, renewed and/or restated from time to time, being hereafter referred to collectively as the "*Note*").

B. The Grantor is an affiliate of the Borrower and, as a result, will obtain a material financial benefit from such extension of credit.

C. The Grantor is the owner of a leasehold estate and other rights under that certain Ground Lease dated May 8, 2018, by and between the Grantor and Port Wentworth Fee Owner, LLC, as amended by that First Amendment to Ground Lease dated August 3, 2018 (the "*Lease Agreement*").

D. The Note is secured by, inter alia, this Security Deed and the terms, covenants and conditions of the Note are hereby incorporated herein and made a part hereof.

E. To secure the Note, and to induce the Grantee to extend credit to the Grantor on the strength of the security provided by this Security Deed and convey the property described herein to the Grantee as hereinafter set forth, the Grantor has agreed to execute and deliver this Security Deed to the Grantee.

Agreement

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) cash in hand, the premises, other good and valuable consideration and to secure the payment of the following (hereinafter collectively referred to as the "*Debt*");

(1) the payment of the debt evidenced by the Note, and interest thereon and any and every extension, renewal and modification thereof, or of any part thereof, and all interest on all such extensions, renewals and modifications;

(2) all liabilities, obligations, indebtedness, covenants and duties now or hereafter owing by the Borrower to the Grantee under any of the Loan Documents (including without limitation any Hedge Agreement), whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including without limitation, all interest and fees that accrue after the commencement of any bankruptcy or insolvency proceeding, regardless of whether such interest or fees are allowed claims in such proceeding;

(3) all other indebtedness, obligations and liabilities of the Grantor to the Grantee of every kind and description whatsoever arising directly between the Grantor and the Grantee or acquired outright, as a participation or as collateral security from another by the Grantee, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, contracted or arising, joint or several, liquidated or unliquidated, regardless of how they arise 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, member of a partnership, syndicate, joint venture, association or other group, or otherwise, and any and all extensions, renewals and modifications of any of the same;

(4) the compliance with all of the stipulations, covenants, agreements, representations, warranties and conditions contained in this Security Deed;

the Grantor does hereby irrevocably and unconditionally grant, bargain, sell, convey, transfer and assign unto the Grantee, its successors and assigns, with power of sale and right of entry and possession, the property and interests in property described in the following Granting Clauses A through J, both inclusive, and does grant to the Grantee a security interest in all of Grantor's estate, right, claim and interest in and to said property and interests in property:

A. The Grantor's leasehold estate and interest in accordance with the terms of the Lease Agreement, and all other rights, titles and privileges under the Lease Agreement, in and to the real estate described on Exhibit A attached hereto and made a part hereof (the "*Real Estate*") and all improvements, structures, buildings and fixtures now or hereafter situated thereon (the "*Improvements*").

B. all (i) streets, roads, alleys, permits, easements, licenses, rights-of-way, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Real Estate or the Improvements; (ii) strips or gores between the Real Estate and abutting or adjacent properties; (iii) options to purchase the Real Estate or the Improvements or any portion thereof or interest herein, and any greater estate in the Real Estate or Improvements; (iv) water, water rights (whether riparian, appropriative or otherwise and whether or not appurtenant) and water stock, timber, crops and mineral interests on or pertaining to the Real Estate; (v) development rights and credits and air rights and (vi) other contracts, privileges, immunities, tenements and hereditaments now or hereafter pertaining to or affecting the Real Estate or the Improvements.

C. (i) All leases, written or oral, and all usufructs and agreements for use or occupancy of any portion of the Real Estate or the Improvements with respect to which the Grantor is the lessor, any

and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Real Estate or the Improvements (all such leases, subleases, usufructs, agreements and tenancies heretofore mentioned being hereinafter collectively referred to as the "*Leases*");

(ii) any and all guaranties of the lessee's and any sublessee's performance under any of the Leases;

(iii) the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which the Grantor may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand or claim, arising or issuing from or out of the Leases or from or out of the Real Estate or any of the Improvements, or any part thereof, including, but not limited to, minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, all security deposits, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Real Estate or the Improvements, together with any and all rights and claims of any kind that the Grantor may have against any such lessee under the Leases or against any subtenants or occupants of the Real Estate or any of the Improvements, all such moneys, rights and claims in this paragraph described being hereinafter referred to as the "*Rents*"; provided, however, so long as no Event of Default has occurred, the Grantor shall have the right under a license granted hereby to collect, receive and retain the Rents (but not prior to accrual thereof); and

(iv) any award, dividend or other payment made hereafter to the Grantor in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. The Grantor hereby appoints the Grantee as the Grantor's irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend or other payment subject to the terms and conditions of the Loan Agreement.

D. All building and construction materials and supplies, inventory, equipment, fixtures, systems, machinery, furniture, furnishings, goods, tools, apparatus and fittings of every kind or character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by the Grantor for the purpose of, or used or useful in connection with, the complete and proper planning, development, use, occupancy or operation of the Real Estate and Improvements, or acquired (whether delivered to the Real Estate or elsewhere) for use or installation in or on the Real Estate or the Improvements, wherever the same may be located, which are now or hereafter attached to or situated in, on or about the Real Estate and the Improvements, including, without limitation, all lumber and lumber products, bricks, stones, building blocks, sand, cement, roofing materials, paint, doors, windows, hardware, nails, wires, wiring, engines, boilers, furnaces, tanks, motors, generators, switchboards, elevators, escalators, plumbing, plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, stoves, refrigerators, dishwashers, hot water heaters, garbage disposers, trash compactors, other appliances, carpets, rugs, window treatments, lighting, fixtures, pipes, piping, decorative fixtures, and all other building and construction materials and supplies, equipment and fixtures of every kind and character used or useful in connection with the Improvements, and all renewals and replacements of, substitutions for and additions to any of the foregoing.

E. All (i) plans and specifications for the Improvements, (ii) the Grantor's rights, but not liability for any breach by the Grantor, under all commitments (including any commitments for financing to pay any of the Debt), insurance policies (or additional or supplemental coverage related thereto,

including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), interest rate protection agreements, contracts and agreements for the design, construction, renovation, operation or inspection of the Improvements and other contracts and general intangibles (including payment intangibles and any trademarks, trade names, goodwill, software and symbols) related to the Real Estate or the Improvements or Personal Property (hereafter defined) or the operation thereof, (iii) deposits and deposit accounts arising from or relating to any transactions related to the Real Estate or the Improvements or Personal Property (including the Grantor's right in tenants' security deposits, deposits with respect to utility services to the Real Estate, and any deposits, deposit accounts or reserves hereunder or under any other Loan Document (as defined in the Loan Agreement) for taxes, insurance or otherwise), (iv) rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts (whether tangible or electronic) arising from or by virtue of any transactions related to the Real Estate or Improvements, (v) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges obtained in connection with the Real Estate and Improvements, (vi) as-extracted collateral produced from or allocated to the Real Estate, including oil, gas and other hydrocarbons and other minerals and all products processed or obtained therefrom and the proceeds thereof, and (vii) engineering, accounting, title, legal and other technical or business data concerning the Real Estate and Improvements, including software, which are in the possession of the Grantor or in which the Grantor can otherwise grant a security interest.

F. All (i) accounts and proceeds (whether cash or non-cash and including payment intangibles), of or arising from the properties, rights, titles and interests referred to hereinabove, including the proceeds of any sale, lease or other disposition thereof, proceeds of each policy of insurance, present and future (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), payable because of a loss sustained to all or part of the Real Estate or Improvements (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto, including change of grade of streets, curb cuts or other rights of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi-public use under any law, proceeds arising out of any damage thereto, including any and all commercial tort claims, (ii) letter-of-credit rights (whether or not the letter of credit is evidenced by writing) the Grantor now has or hereafter acquires relating to the properties, rights, title and interests referred to herein, (iii) commercial tort claims the Grantor now has or hereafter acquires relating to the properties, rights, title and interests referred to herein, and (iv) other interests of every kind and character which the Grantor now has or hereafter acquires in, or for the benefit of the properties, rights, titles and interests referred to hereinabove and all property used or useful in connection therewith, including rights of ingress and egress and remainders, reversions and reversionary rights or interests

G. Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Grantee, or in which the Grantee is granted a security interest, as and for additional security hereunder by the Grantor, or by anyone on behalf of, or with the written consent of, the Grantor.

H. Any and all intangible rights, interests and properties of Grantor relating to the Real Estate or Improvements or any part thereof, and necessary or desirable for the continued ownership, use, operation, leasing or management thereof, whether now or hereafter existing, including any trademarks, servicemarks, logos or trade names relating to the Real Estate or Improvements or by which the Real Estate or Improvements or any part thereof may be known and any other franchises or other agreements relating to services in connection with the use, occupancy, or maintenance of the Real Estate or Improvements, instruments, actions or rights in action and all intangible property and rights relating to the Real Estate or Improvements.

I. Any and all accounts receivable, insurance policies, contract rights, interests, rights under all oil, gas and mineral leases and agreements and all benefits arising therefrom, and all other claims, both at law and in equity, relating to the Real Estate or Improvements, which Grantor now has or may hereafter acquire.

J. Any and all estate, interest, right, title and other claim or demand which Grantor now has or may hereafter acquire in any and all awards or payments relating to the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Real Estate or Improvements, including all awards resulting from a change of grade of any street and awards for severance damages, together, in all cases, with all interest thereon.

K. Any and all proceeds of, and any unearned premiums on, insurance policies covering all or any part of the Real Estate or Improvements, including the right to receive and apply the proceeds of all insurance or judgments related to the Real Estate or Improvements, or settlements made in lieu thereof.

L. Any and all estate, interest, right, title and other claim or demand which Grantor now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Real Estate or Improvements, including damage arising or resulting from any defect in or with respect to the design or construction of all or any part of the Improvements.

M. Any and all right, title and interest of the Grantor in and to (i) all modifications, extensions and renewals of the Lease Agreement and all options and rights to renew or extend the same; (ii) all options and rights to purchase or of first refusal, if any, with respect to the Real Estate or any part thereof; and (iii) all other, further or additional title, estate, options, privileges, interest or rights which the Grantor may now or hereafter acquire in and to the Real Estate and the Lease Agreement.

N. All proceeds and products of, additions and accretions to, substitutions and replacements for, and changes in any of the property referred to in Granting Clauses A through L hereinabove.

(All of the property and interests in property described in the foregoing Granting Clauses A through N, both inclusive, are herein sometimes collectively called the "**Property**." The personal property described in Granting Clause D through N and all other personal property covered by this Security Deed are herein sometimes collectively called the "**Personal Property**.")

SUBJECT, HOWEVER, to the easements, rights-of-way and other exceptions described on Exhibit B hereto ("**Permitted Exceptions**"). This Security Deed is a deed and security agreement passing legal title pursuant to the laws of the State of Georgia governing loan or security deeds and security agreements and is not a mortgage.

TO HAVE AND TO HOLD the Property to the use, benefit and behoof of the Grantee, its successors and assigns, for and during the entire rest, residue and remainder of the term of years granted under the Lease Agreement and each and every renewal or extension thereof.

1. Future Advances. This Security Deed secures future advances, and the \$1,030,000 debt evidenced by the Note is to be advanced by the Grantee, as Lender, to the Borrower in accordance with the terms of a Loan Agreement of even date herewith, entered into by and between the Borrower and the Grantee, as Lender (as may be amended or restated from time to time, the "**Loan Agreement**"). Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

2. Warranties of Title. The Grantor covenants with the Grantee that the Grantor is lawfully seized in a leasehold estate of the Real Estate and is the lawful owner of, and has good title to, the Personal Property, Improvements and other Property subject to the Permitted Exceptions and has a good right to sell and convey the Property as aforesaid; that the Property is free of all encumbrances subject to the Permitted Exceptions, unless otherwise provided hereinbefore; and that the Grantor will warrant and forever defend the title to the Property unto the Grantee against the lawful claims of all persons subject to the Permitted Exceptions.

3. Maintenance of Lien Priority. The Grantor shall take all steps necessary to preserve and protect the validity and priority of the liens on, security interests in, and assignment of, the Property created hereby. The Grantor shall execute, acknowledge and deliver such additional instruments as the Grantee may deem necessary in order to preserve, protect, continue, extend or maintain the liens, security interests and assignments created hereby as first liens on, security interests in, and assignments of, the Property, except as otherwise permitted under the terms of this Security Deed. All costs and expenses incurred in connection with the protection, preservation, continuation, extension or maintaining of the liens, security interests and assignments hereby created shall be paid by the Grantor.

4. Representations and Warranties Related to Rents and Leases.

(a) The Grantor has good title to the Rents and Leases hereby assigned and good right to assign the same, and no other person, corporation or entity has any right, title or interest therein.

(b) The Grantor has duly and punctually performed all and singular the terms, covenants, conditions and warranties of the Leases on the Grantor's part to be kept, observed and performed.

(c) The Grantor has not previously sold, assigned, transferred, mortgaged or pledged the Leases or the Rents, whether now due or hereafter to become due.

(d) No payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised, except as otherwise identified to Grantee in writing.

(e) To the best of the Grantor's knowledge, the lessees under the Leases are not in default under any of the terms thereof.

(f) No Rents due for any period subsequent to the month next succeeding the date of this security deed have been collected, and no payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised.

(g) The Grantor has not received any funds or deposits from any lessee in excess of one month's rent for which credit has not already been made on account of accrued rents.

5. Representations and Warranties Related to the Lease Agreement. The Grantor hereby represents, covenants and warrants that:

(a) The Lease Agreement is a valid and subsisting lease of the Real Estate for the term therein set forth, and the Lease Agreement is in full force and effect and unmodified except as hereinabove expressly stated.

(b) All rents (including without limitation minimum rents, additional rents, percentage rents, common area maintenance charges and other charges) reserved in the Lease Agreement have been paid to the extent they were payable prior to the date hereof.

(c) There is no existing default under the provisions of the Lease Agreement or in the observance of any of the terms, covenants, conditions or warranties thereof on the part of the Grantor to be observed and performed.

(d) The Grantor is the owner and holder of the Lease Agreement and the leasehold estate and interest created thereby.

6. Performance of Lease Agreement. The Grantor will at all times promptly and faithfully keep and perform, or cause to be kept and performed, all the terms, covenants and conditions contained in the Lease Agreement by the lessee therein to be kept and performed and in all respects conform to and comply with the terms and conditions of the Lease Agreement; and the Grantor further covenants that it will not do or permit anything to be done, the doing of which, or refrain from doing anything, the omission of which, will impair or tend to impair the security of this mortgage or will be grounds for declaring a forfeiture or termination of the Lease Agreement. The Grantor will, at least six months prior to the last day upon which the Grantor, as lessee, may validly exercise any option to renew or extend the term of the Lease Agreement, (a) exercise such option in such manner as will cause the term of the Lease Agreement to be effectively renewed or extended for the period provided by such option, and (b) give immediate written notice thereof to Grantee; it being expressly agreed that, in the event of the failure of the Grantor so to do, the Grantee shall have, and is hereby granted, the irrevocable right to exercise any such option either in its own name and behalf or in the name and behalf of a designee or nominee of the Grantee or in the name and behalf of the Grantor, as the Grantee shall in its sole discretion determine; provided, however, that if Grantor shall prepay in full the Debt in accordance with the provisions of the Note at least six months prior to the last day upon which the Grantor, as such lessee, may validly exercise any option to renew or extend the term of the Lease, the Grantor will not be obliged to exercise any such option of renewal or extension, nor will the Grantee have any right to exercise any such option.

7. No Modification, etc. of Lease Agreement. The Grantor also covenants that it will not modify, extend or in any way alter the terms of the Lease Agreement or cancel or surrender the Lease Agreement, or waive, excuse, condone or in any way release or discharge the lessor thereunder of or from the obligations, covenants, conditions and agreements by said lessor to be done and performed; and the Grantor does hereby expressly release, relinquish and surrender unto Grantee all its right, power and authority to cancel, surrender, terminate, release, amend, modify or alter in any way the terms and provisions of the Lease Agreement, and any attempt on the part of the Grantor to exercise any such right without the express prior written consent of the Grantee shall constitute a default under the terms hereof.

8. Notice of Default in Lease Agreement, etc. The Grantor covenants and agrees to give immediate notice to the Grantee of any default under the Lease Agreement, to furnish to the Grantee immediately any and all information which it may request concerning the performance by the Grantor of the covenants of the Lease Agreement, and to permit the Grantee or its representatives at all reasonable times to make investigation or examination concerning the performance by the Grantor of the covenants of the Lease Agreement or of this mortgage. The Grantor further covenants and agrees that it will promptly deposit with the Grantee an original executed copy of the Lease Agreement and each amendment thereto and any and all documentary evidence requested by the Grantee showing compliance by the Grantor with the provisions of the Lease Agreement and will also deposit with the Grantee an exact copy of any notice, communication, plan, specification or other instrument or document received or given

by it in any way relating to or affecting the Lease Agreement which may concern or affect the estate of the lessor or lessee in or under the Lease Agreement or in the Real Estate.

9. Right of Grantee to Cure, etc. Upon the occurrence of any default or event of default under the Lease Agreement (or any event which, upon the giving of notice or the lapse of time, or both, would constitute such a default or event of default), the Grantee shall have the right, but shall be under no obligation, to pay any amount, to perform any other act or to take such action as may be appropriate to cure or prevent such default or event of default under the Lease Agreement, to the end that the Grantor's rights in, to and under the Lease Agreement shall be kept unimpaired and free from default. Subject to the rights of sublessees and other occupants, in any such event, the Grantee and any person designated by the Grantee shall have, and is hereby granted, the right to enter upon the Property at any time and from time to time for the purpose of paying any such amount, performing any such act or taking any such action, and all monies expended by the Grantee in connection therewith (including, but not limited to, reasonable attorneys' fees and disbursements), together with interest thereon at the rate of interest set forth in the Note, or such lesser rate as shall be the maximum amount permitted by law, shall be payable by the Grantor to the Grantee forthwith upon demand by the Grantee, and shall be secured by this mortgage; and the Grantee shall have, in addition to any other right or remedy of the Grantee, the same rights and remedies in the event of non-payment of any such sums by the Grantor as in the case of a default by the Grantor in the payment of any installment of principal or interest due and payable under the Note. In the event of any failure by the Grantor to pay, observe or perform any covenant on the part of the Grantor to be paid, observed and performed under the Lease Agreement, the payment or performance by the Grantee on behalf of the Grantor of said Lease Agreement covenant shall not remove or waive, as between the Grantor and the Grantee, the corresponding default under the terms hereof, and any such failure aforesaid shall be subject to all of the rights and remedies of the Grantee hereunder available on account of any default.

10. No Merger. Unless the Grantee shall otherwise expressly consent in writing, fee title to the Real Estate and the Grantor's leasehold estate under the Lease Agreement shall not merge but shall always remain separate and distinct, notwithstanding that both of said estates may at any time be held by the Grantor or by any third party by purchase or otherwise.

11. Covenants To Pay Liens and Maintain Insurance. For the purpose of further securing the payment of the Debt, the Grantor agrees to: (a) pay all rents and other amounts payable by the Grantor under the Lease Agreement; (b) pay all taxes, assessments, and other liens taking priority over this Security Deed (hereinafter jointly called "Liens"), and if default is made in the payment of the Liens, or any part thereof (subject to Grantor's rights to contest any such liens pursuant to the terms of the Loan Agreement), the Grantee, at its option, may pay the same; (c) keep the Property continuously insured, in such manner and with such companies as set forth under the Loan Documents, against loss by flood (if the Property is located in a flood-prone area), fire, windstorm, vandalism and malicious mischief and other perils, as more particularly set forth and required in the Loan Agreement. If requested by the Grantee, to further secure the payment of taxes, assessments, other charges and expenses, and premiums on the insurance required herein, the Grantor shall deposit with the Grantee on the day monthly installments of principal or interest, or both, are due under the Note (or on another day designated in writing by the Grantee), until the Debt is paid in full, an additional amount sufficient to accumulate with the Grantee the entire sum required to pay, when due, (a) all taxes and assessments against the Property, (b) the premiums for all insurance required herein and in the Loan Agreement, and (c) amounts for other charges and expenses which the Grantee at any time reasonably deems necessary to protect the Property, to prevent the imposition of liens on the Property or otherwise to protect the Grantee's interests, all as reasonably estimated from time to time by the Grantee. If said deposits are required by the Grantee hereunder, the deposits shall be held by the Grantee free of any liens or claims on the part of creditors of the Grantor and as part of the security of the Grantee, and shall be used by the Grantee to pay taxes,

assessments, insurance premiums and any other charges and expenses contemplated herein, on or related to the Property as the same accrue and are payable. The Grantor hereby agrees to execute any additional documents that may be deemed necessary by the Grantee at any time to more fully describe the monthly escrows contemplated herein.

12. Assignment of Insurance Policies, etc. The Grantor hereby assigns and pledges to the Grantee, as further security for the payment of the Debt, each and every policy of hazard insurance now or hereafter in effect which insures the Property, or any part thereof (including without limitation the Personal Property and Improvements, or any part thereof), together with all right, title and interest of the Grantor in and to each and every such policy, including, but not limited to, all the Grantor's right, title and interest in and to any premiums paid on each such policy, including all rights to return premiums. If the Grantor fails to keep the Property insured as specified in the Loan Agreement then, at the election of the Grantee and without additional notice to any person, the Grantee may, but shall not be obligated to, insure the Property for its full insurable value (or for such lesser amount as the Grantee may wish) against such risks of loss and for the benefit of the Grantee. The proceeds from such insurance shall be applied pursuant to the terms of the Loan Agreement. All amounts spent by the Grantee for insurance or for the payment of Liens or for environmental testing or remediation permitted under the Loan Documents shall become a debt due by the Grantor to the Grantee and at once payable, without demand upon, or notice to, the Grantor, and shall be secured by this Security Deed, and shall bear interest at the rate of interest set forth in the Loan Agreement, or such lesser rate of interest as shall then be the maximum amount permitted by applicable law, from the date of payment by the Grantee until paid by the Grantor.

13. Assignment of Condemnation Proceeds, etc. As further security for the Debt and the full and complete performance of each and every obligation, covenant, agreement and duty of the Grantor contained herein, and to the extent of the full amount of the Debt secured hereby and of the costs and expenses (including reasonable attorney's fees) incurred by the Grantee in the collection of any award or payment, the Grantor hereby assigns to the Grantee any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Grantor with respect to the Property as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade or of any street or (c) any other injury to or decrease in value of the Property. All such damages, condemnation proceeds and consideration shall be applied pursuant to the terms of the Loan Agreement.

14. Covenant Against Waste. The Grantor agrees to take good care of the Real Estate and all Improvements and Personal Property and not to commit or permit any waste thereon, and at all times to maintain such Improvements and Personal Property in as good condition as they now are, reasonable wear and tear excepted.

15. Hazardous Substances.

(a) Except for the hazardous materials and substances and the use thereof required to construct and to operate and maintain the Improvements (which materials and substances must be used, stored and disposed of in accordance with all Applicable Law), the Grantor shall not make, store, use, treat, release or dispose of any hazardous substances, pollutants or other contaminants ("**Prohibited Substances**") on or under the Real Estate. If any such Prohibited Substances are nonetheless made, stored, used, treated, released, disposed of or found to exist on or under the Real Estate, the Grantor shall give prompt written notice to the Grantee of such occurrence or existence. If the Grantor fails to keep the Real Estate or Improvements free of such Prohibited Substances, the Grantee may, but shall not be obligated to, do or cause to be done such acts as are necessary or desirable in the Grantee's opinion to remove and dispose of such Prohibited Substances. All amounts spent by the Grantee for the removal and disposal of such Prohibited Substances and the return of the Real Estate and Improvements to a condition free of Prohibited Substances shall become a debt due by the Grantor to the Grantee and at once payable, without

demand or notice, and shall become a part of the Debt secured by this Security Deed, to bear interest as provided in the Note from the date of payment by the Grantee until paid by the Grantor.

(b) The Grantor hereby warrants that (i) there are no civil, criminal or administrative environmental proceedings involving the Real Estate that are pending or to the Grantor's knowledge threatened; (ii) the Grantor knows of no facts or circumstances that might give rise to such a proceeding in the future; (iii) the Real Estate is in compliance with all applicable federal, state and local statutory and regulatory environmental requirements; and (iv) the Real Estate is free from any and all "hazardous substances," "pollutants" and other "contaminants," as those terms are defined in the federal Comprehensive Environmental Response, Compensation, and Liability Act ("**CERCLA**") and rules and regulations thereunder. The Grantor shall give immediate written notice to the Grantee of any actual or threatened "release" (as defined in CERCLA and rules and regulations thereunder) of such substances on or from the Real Estate or any portion thereof at any time during or preceding the Grantor's ownership of the Real Estate. The Grantor shall indemnify and hold the Grantee harmless from and against all loss, damages, fines, penalties, liability and expenses (including, but not limited to, attorneys' fees and costs of investigation and litigation) caused by or in any manner resulting from such substances on or under the Real Estate or any portion thereof at any time during or preceding the Grantor's ownership of the Property. The indemnity provisions of this Section shall survive the satisfaction of this Security Deed and shall continue in full force and effect notwithstanding the payment of the Debt in full.

16. Covenants Related to Rents and Leases. The Grantor covenants and agrees that the Grantor shall:

(a) observe, perform and discharge in all material respects all obligations, covenants and warranties provided for under the terms of the Leases to be kept, observed and performed by the Grantor, and shall give prompt notice to the Grantee in the event the Grantor fails to observe, perform and discharge the same;

(b) enforce or secure in the name of the Grantee the performance in all material respects of each and every obligation, term, covenant, condition and agreement to be performed by any lessee under the terms of the Leases;

(c) appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with the Leases or the obligations, duties or liabilities of the Grantor and any lessee thereunder, and, upon request by the Grantee to do so in the name and on behalf of the Grantee but at the expense of the Grantor, and to pay all costs and expenses of the Grantee, including reasonable attorneys' fees, in any action or proceeding in which the Grantee may appear;

(d) not receive or collect any Rents from any present or future lessee of the Real Estate or any of the Improvements, or any part thereof, for a period of more than one month in advance, or pledge, transfer, mortgage or otherwise encumber or assign future payments of the Rents;

(e) not waive, excuse, condone, discount, set off, compromise, or in any manner release or discharge any lessee of the Real Estate or any of the Improvements of and from any material obligations, covenants, conditions and agreements by said lessee to be kept, observed and performed, including the obligation to pay rent in the manner and at the place and time specified in any Lease;

(f) not materially modify or alter the terms of the standard tenant lease without, in each such instance, the prior written notice of the Grantee;

(g) not cancel, terminate or consent to any surrender of any Lease, or modify or in any way alter the terms thereof without, in each such instance, the prior written consent of the Grantee;

(h) not renew or otherwise extend the term of any existing Lease; provided, however, that nothing herein contained shall prevent the Grantor, upon expiration of the now-current term (or other expiration or termination) of any existing Lease, from leasing the property covered thereby to the lessee thereunder by a lease or leases expressly subject and fully subordinate to the lien, assignment and security interest of this security deed;

(i) promptly upon the execution by the Grantor of any future Lease, (i) furnish the Grantee with the name and address of the lessee thereunder, the term of such Lease and a description of the premises covered thereby and, upon request of the Grantee, a copy of such Lease, and (ii) execute all such further assignments of such Lease and the Rents therefrom as the Grantee may require;

(j) lease the Property only under arms length leases for a rental rate which, in the Grantor's best judgment, represents a fair market rental rate;

(k) promptly upon the request of the Grantee, furnish the Grantee with a current rent roll for the Property; and

(l) promptly upon the execution of Grantor of any future Lease note pertaining to the leasing of an apartment by a resident, (i) furnish the Grantee with the name and address of the lessee thereunder, the term of such Lease and a description of the premises covered thereby and, upon request of the Grantee, a copy of such Lease, and (ii) execute all such further assignments of such Lease and the Rents therefrom as the Grantee may require.

17. Covenant Against Sale, Lease or Transfer, etc. Notwithstanding any other provision of this Security Deed or the Note, but subject to the terms and conditions set forth in the Loan Agreement, if the Real Estate or the Improvements, or any part thereof, or any interest therein, is sold, leased, conveyed or transferred, without the Grantee's prior written consent, or if the Real Estate or the Improvements, or any part thereof, or any interest therein, becomes subject to any additional lien, deed to secure debt, mortgage or other encumbrance, either voluntarily or involuntarily, without the Grantee's prior written consent, the Grantee, may, at its sole option: (a) declare the Debt immediately due and payable in full; or (b) require the payment, after the date of such sale, lease, conveyance or transfer, of a higher rate of interest on the unpaid principal portion of the Debt as a condition to not exercising such option to accelerate the Debt, whether such rights be exercised by the Grantee to obtain a higher rate of interest on the Debt or to protect the security of this Security Deed.

18. Security Agreement. This Security Deed shall constitute a security agreement under Article 9 of the Uniform Commercial Code in effect in the State of Georgia (the "*State UCC*") with respect to the Personal Property covered by this Security Deed. Pursuant to the applicable Granting Clauses hereof, Grantor has granted Grantee a security interest in the Personal Property and in all additions and accessions thereto, substitutions therefor and proceeds thereof for the purpose of securing all Debt now or hereafter secured by this Security Deed. The following provisions relate to such security interest:

(a) The Personal Property includes all now existing or hereafter acquired or arising equipment, inventory, accounts, chattel paper, instruments, documents, deposit accounts, investment property, letter-of-credit rights, commercial tort claims, supporting obligations and general intangibles now or hereafter used or procured for use on the Property or otherwise relating to the Property. If Grantor shall at any time acquire a commercial tort claim relating to the Property, Grantor shall immediately

notify Grantee in a writing signed by Grantor of the brief details thereof and grant to Grantee a security interest therein and in the proceeds thereof.

(b) Grantor hereby irrevocably authorizes Grantee at any time and from time to time to file in any filing office in any State UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the collateral as "all assets used or procured for use or otherwise relating to" the Property or words of similar effect, or as being of equal or lesser scope or in greater detail, and to indicate the Property as defined, or in a manner consistent with the term as defined, in this Security Deed and (b) contain any other information required by part 5 of Article 9 of the State UCC of the filing office for the sufficiency or filing office acceptance of any initial financing statement or amendment, including whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor. Grantor agrees to provide any such information to Grantee promptly upon request. Grantor also ratifies its authorization for Grantee to have filed in any filing office in any State UCC jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor shall pay to Grantee, from time to time, upon demand, any and all costs and expenses incurred by Grantee in connection with the filing of any such initial financing statements and amendments, including attorneys' fees and all disbursements. Such costs and expenses shall bear interest at the Increased Rate from the date paid by Grantee until the date repaid by Grantor and such costs and expenses together with such interest, shall be part of the Debt and shall be secured by this Security Deed.

(c) Grantor shall any time and from time to time take such steps as Grantee may reasonably request for Grantee to obtain "control" of any Personal Property for which control is a permitted or required method to perfect or to insure priority of the security interest in such Personal Property granted hereby.

(d) Upon the occurrence of an Event of Default, Grantee shall have the rights and remedies of a secured party under the State UCC as well as all other rights and remedies available at law or in equity or under this Security Deed. If Grantor does not have an organizational identification number and later obtains one, Grantor shall forthwith notify Grantee of such organizational identification number.

(e) Terms defined in the State UCC and not otherwise defined in this Security Deed have the same meanings in this Section as are set forth in the State UCC. In the event that a term is used in Article 9 of the State UCC and also in another Article of the State UCC, the term used in this Section is that used in Article 9. The term "control", as used in this Section, has the meaning given in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the State UCC, as applicable.

19. Defeasance. This Security Deed is made upon the condition that if the Borrower pays the Debt, and reimburses the Grantee for any amounts the Grantee has paid in respect of Liens or insurance premiums, and interest thereon, and fulfills all of its other obligations under this Security Deed, this conveyance shall be released and satisfied of record.

20. Events of Default. The occurrence of any "Event of Default" (as such term is defined in the Loan Agreement) under the Loan Agreement shall constitute an Event of Default under this Security Deed.

21. Rights and Remedies of Grantee upon Default.

(a) Acceleration of Debt. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee may at its option and WITHOUT DEMAND OR NOTICE to the Grantor, declare all or any part of the Debt immediately due and payable, whereupon all such Debt shall forthwith become due and payable, without presentment, demand, protest or further notice of any kind, all of which are

hereby expressly waived by the Grantor, and the Grantee may immediately enforce payment of all such amounts and may exercise any or all of its rights and remedies under this Security Deed, the Note, any of the other Security Documents and in compliance with all applicable law. The Grantor also waives any and all rights the Grantor may have to a hearing before any judicial authority prior to the exercise by the Grantee of any of its rights under this Security Deed, the Note, any of the other Security Documents and in compliance with all applicable law.

(b) Access to Property; Operation of Property by Grantee. Upon the occurrence of an Event of Default or at any time such Event of Default is continuing, in addition to all other rights herein conferred on the Grantee, the Grantee (or any person, firm or corporation designated by the Grantee) may, but will not be obligated to, enter upon, and without taking possession thereof, inspect or cause to be inspected, the Property, including testing for hazardous substances, and/or to take possession of any or all of the Property, exclude the Grantor therefrom, and hold, use, administer, manage and operate the same to the extent that the Grantor could do so, without any liability to the Grantor resulting therefrom; and the Grantee may collect, receive and receipt for all proceeds accruing from such operation and management, make repairs and purchase needed additional property, and exercise every power, right and privilege of the Grantor with respect to the Property.

(c) Judicial Proceedings; Right to Receiver. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee, in lieu of, or in addition to, exercising the power of sale hereinafter given, may proceed by suit, after accelerating the Debt due hereunder pursuant to Section 21(a) above, to foreclose its lien on, security interest in, and assignment of, the Property, to sue the Grantor for damages on account of or arising out of said default or breach, or for specific performance of any provision contained herein, or to enforce any other appropriate legal or equitable right or remedy. The Grantee shall be entitled, as a matter of right, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Security Deed, to the appointment by any competent court or tribunal, without notice to the Grantor or any other party, of a receiver of the rents, issues and profits of the Property, with power to lease and control the Property and with such other powers as may be deemed necessary.

(d) Foreclosure; Power of Sale. Upon the occurrence of an Event of Default, or at any time thereafter, this Security Deed, after accelerating the Debt due hereunder pursuant to Section 21(a) above, shall be subject to foreclosure and may be foreclosed as now provided by law in case of past due deeds to secure debt, and Grantee may sell and dispose of the Property at public auction, at the usual place for conducting sales at the courthouse in the county where the Property or any part thereof may be (or otherwise as required by law), to the highest bidder for cash, first advertising the time, terms and place of such sale by publishing a notice thereof once a week for four consecutive weeks (without regard to the actual number of days) in a newspaper in which sheriff's advertisements are published in said county, ALL OTHER NOTICE BEING HEREBY WAIVED BY GRANTOR; and Grantee may thereupon execute and deliver to the purchaser at said sale a sufficient conveyance of the Grantor's right, title and interest, in and to the Property, which conveyance may be with or without warranty and may contain recitals as to the happening of the default upon which the execution of the power of sale, herein granted, depends, the said recitals shall be presumptive evidence that all preliminary acts prerequisite to said sale and deed were in all things duly complied with; and Grantor hereby constitutes and appoints Grantee or its assigns agent and attorney-in-fact to make such recitals, sale and conveyance, which appointment is irrevocable and coupled with an interest, and all of the acts of such attorney-in-fact are hereby ratified, and Grantor agrees that such recitals shall be binding and conclusive upon Grantor and that the conveyance to be made by Grantee, or its assigns, (and in the event of a deed in lieu of foreclosure, then as to such conveyance) shall be effectual to bar all right, title and interest, equity of redemption, including all statutory redemption, homestead, dower, curtesy and all other exemptions of Grantor, or its successors in interest, in and to the Property; at the election of Grantee, the Property, or any part thereof, may be sold

in one parcel and as an entirety, or in such parcels, manner or order as Grantee in its sole discretion may elect, and one or more exercises of the powers herein granted shall not extinguish or exhaust the power unless the entire Property is sold or the Debt satisfied in full, and Grantee, or its assigns, shall collect the proceeds of such sale, applying such proceeds as provided in the Loan Agreement (in the event of deficiency, Grantor shall immediately on demand from Grantee pay over to Grantee, or its nominee, such deficiency); and Grantor agrees that in case of a sale, as herein provided, Grantor or any person in possession under Grantor shall then become and be tenants holding over, and shall forthwith deliver possession to the purchaser at such sale, or be summarily dispossessed in accordance with the provisions of law applicable to tenants holding over; the power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are in addition to any and all other remedies which Grantee may have at law or in equity. The Grantee, its successors and assigns, may bid at any sale or sales had under the terms of this Security Deed and may purchase the Property, or any part thereof, if the highest bidder therefor. In such event, the Grantee may credit the outstanding indebtedness with the amount which it bid. The purchaser at any such sale or sales shall be under no obligation to see to the proper application of the purchase money.

(e) Personal Property and Fixtures. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee shall have and may exercise with respect to the Personal Property and fixtures included in the Property (the "*Collateral*") all rights, remedies and powers of a secured party under the State UCC with reference to the Collateral or any other items in which a security interest has been granted herein, including, without limitation, the right and power to sell at public or private sale or sales or otherwise dispose of, lease or utilize the Collateral and any part or parts thereof in any manner to the fullest extent authorized or permitted under the State UCC after default hereunder, without regard to preservation of the Collateral or its value and without the necessity of a court order. The Grantee shall have, among other rights, the right to take possession of the Collateral and to enter upon any premises where the same may be situated for the purpose of repossessing the same without being guilty of trespass and without liability for damages occasioned thereby and to take any action deemed appropriate or desirable by the Grantee; at its option and its sole discretion, to repair, restore or otherwise prepare the Collateral for sale, lease or other use or disposition. At the Grantee's request, the Grantor shall assemble the Collateral and make the Collateral available to the Grantee at any place designated by the Grantee. To the extent permitted by law, the Grantor expressly waives any notice of sale or any other disposition of the Collateral and any rights or remedies of the Grantee with respect to, and the formalities prescribed by law relative to, the sale or disposition of the Collateral or to the exercise of any other right or remedy of the Grantee existing after default. To the extent that such notice is required and cannot be waived, the Grantor agrees that if such notice is given to the Grantor in accordance with the provisions of Section 35 below, at least ten (10) days before the time of the sale or other disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving said notice. Disposition of the Collateral shall be deemed commercially reasonable if made pursuant to a public sale advertised at least twice in a newspaper of general circulation in the community where the Property is located. It shall be deemed commercially reasonable for the Grantee to dispose of the Collateral without giving any warranties as to the Collateral and specifically disclaiming all disposition warranties. Alternatively, Grantee may choose to dispose of some or all of the Property, in any combination consisting of both Collateral and Real Estate, in accordance with all applicable law and procedures applicable to real property, as permitted by the State UCC.

The Grantor agrees that the Grantee may proceed to sell or dispose of both the real and personal property comprising the Property in accordance with the rights and remedies granted under this Security Deed with respect to the real property covered hereby, subject to all applicable law. The Grantor hereby grants the Grantee the right, at its option after default hereunder, to transfer at any time to itself or its nominee the Collateral or any part thereof and to receive the monies, income, proceeds and benefits attributable to the same and to hold the same as Collateral or to apply it on the Debt in such order and

amounts and manner as the Grantee may elect. The Grantor covenants and agrees that all recitals in any Security Deed transferring, assigning, leasing or making other disposition of the Collateral or any part thereof shall be full proof of the matters stated therein and no other proof shall be required to establish the legal propriety of the sale or other action taken by the Grantee and that all prerequisites of sale shall be presumed conclusively to have been performed or to have occurred.

(f) Rents and Leases. Upon the occurrence of an Event of Default or at any time during the continuance of such Event of Default:

(i) The Grantee, at its option, shall have the right, power and authority to exercise and enforce any or all of the following rights and remedies with respect to Rents and Leases:

(A) to terminate automatically, without the necessity of taking any action, the license granted to the Grantor in Granting Clause C (iii) hereof to collect the Rents, and, without taking possession, in the Grantee's own name to demand, collect, receive, sue for, attach and levy the Rents, to give proper receipts, releases and acquittances therefor, and after deducting all necessary and reasonable costs and expenses of collection, including reasonable attorney's fees, to apply the net proceeds thereof to the Debt in such order and amounts as the Grantee may choose (or hold the same in a reserve as security for the Debt);

(B) without regard to the adequacy of the security, with or without any action or proceeding, through any person or by agent, or by a receiver to be appointed by court, to enter upon, take possession of, manage and operate the Property or any part thereof for the account of the Grantor, make, modify, enforce, cancel or accept surrender of any Lease, remove and evict any lessee or sublessee, increase or reduce rents, decorate, clean and make repairs, and otherwise do any act or incur any cost or expenses the Grantee shall deem proper to protect the security hereof, as fully and to the same extent as the Grantor could do if in possession, and in such event to apply any funds so collected to the operation and management of the Property (including payment of reasonable management, brokerage and attorney's fees) and payment of the Debt in such order and amounts as the Grantee may choose (or hold the same in reserve as security for the Debt); and

(C) to take whatever legal proceedings may appear necessary or desirable to enforce any obligation or covenant or agreement of the Grantor under this Security Deed.

(ii) The collection of the Rents and application thereof (or holding thereof in reserve) as aforesaid or the entry upon and taking possession of the Property or both shall not cure or waive any default or waive, modify or affect any notice of default under this Security Deed, or invalidate any act done pursuant to such notice, and the enforcement of such right or remedy by the Grantee, once exercised, shall continue for so long as the Grantee shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default. If the Grantee shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time following any subsequent default.

(g) Application of Proceeds. All payments received by the Grantee as proceeds of the Property, or any part thereof, as well as any and all amounts realized by the Grantee in connection with the enforcement of any right or remedy under or with respect to this Security Deed, shall be applied by the Grantee in accordance with the terms of the Loan Agreement.

(h) Multiple Sales. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee shall have the option to proceed with foreclosure, either through the courts or by proceeding with foreclosure as provided for in this Security Deed, but without declaring the whole Debt

due. Any such sale may be made subject to the unmatured part of the Debt secured by this Security Deed, and such sale, if so made, shall not in any manner affect the unmatured part of the Debt secured by this Security Deed, but as to such unmatured part of the Debt this Security Deed shall remain in full force and effect as though no sale had been made under the provisions of this paragraph. Several sales may be made under the provisions of this paragraph without exhausting the right of sale for any remaining part of the Debt whether then matured or unmatured, the purpose hereof being to provide for a foreclosure and sale of the Property for any matured part of the Debt without exhausting any power of foreclosure and the power to sell the Property for any other part of the Debt, whether matured at the time or subsequently maturing.

(i) Waiver of Appraisement Laws. The Grantor waives, to the fullest extent permitted by law, the benefit of all laws now existing or hereafter enacted providing for (i) any appraisement before sale of any portion of the Property (commonly known as appraisement laws), or (ii) any extension of time for the enforcement of the collection of the Debt or any creation or extension of a period of redemption from any sale made in collecting the Debt (commonly known as stay laws and redemption laws).

(j) Prerequisites of Sales. In case of any sale of the Property as authorized by this Section 21, all prerequisites to the sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the nonpayment of any of the Debt or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true.

22. Waivers and Agreements Regarding Remedies. To the full extent Grantor may do so, Grantor hereby:

(a) agrees that it will not at any time plead, claim or take advantage of any applicable laws now or hereafter in force providing for any moratorium, appraisement, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, moratorium, appraisement, stay of execution, reinstatement (including without limitation all rights under O.C.G.A. § 44-14-85), extension, homestead, exemption and notice of election to accelerate the Debt;

(b) waives all rights to a marshalling of the assets of Grantor, including the Property, or to a sale in the inverse order of alienation in the event of a foreclosure of the Property, and agrees not to assert any right under any applicable law pertaining to the marshalling of assets, the sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Grantee under the terms of this Security Deed to a sale of the Property without any prior or different resort for collection, or the right of Grantee to the payment of the Debt out of the proceeds of sale of the Property in preference to every other claimant whatsoever;

(c) waives any right to bring or utilize any defense, counterclaim or setoff, other than one which denies the existence or sufficiency of the facts upon which any foreclosure action is grounded. If any defense, counterclaim or setoff, other than one permitted by the preceding clause, is timely raised in a foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, such claim may be brought in a separate action which shall not thereafter be consolidated with the foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying the foreclosure action; and

(d) waives and relinquishes any and all rights and remedies which Grantor may have or be able to assert by reason of the provisions of any applicable laws pertaining to the rights and remedies of sureties.

All waivers of the aforesaid rights of Grantor have been made knowingly, intentionally and willingly by Grantor as part of a bargained for loan transaction and that this Security Deed is valid and enforceable by Grantee against Grantor in accordance with all the terms and conditions hereof.

23. Collection Costs. The Grantor agrees to pay all costs, including reasonable attorneys' fees, actually incurred by the Grantee in collecting or securing, or attempting to collect or secure, the Debt, or any part thereof, or in defending or attempting to defend the priority of this Security Deed against any Lien on the Property, unless this Security Deed is herein expressly made subject to any such Lien; and/or all costs incurred in the foreclosure of this Security Deed, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Grantee shall be a part of the Debt and shall be secured by this Security Deed.

24. No Obligations with Respect to Leases. The Grantee shall not by virtue of this Security Deed or otherwise assume any duties, responsibilities, liabilities or obligations with respect to Leases, the Improvements, the Personal Property, the Real Estate or any of the other Property (unless expressly assumed by the Grantee under a separate agreement in writing), and this Security Deed shall not be deemed to confer on the Grantee any duties or obligations that would make them directly or derivatively liable for any person's negligent, reckless or willful conduct. The Grantor agrees to defend, indemnify and save harmless the Grantee from and against any and all claims, causes of action and judgments relating to the Grantor's performance of its duties, responsibilities and obligations under Leases and with respect to the Real Estate, the Improvements, the Personal Property, or any of the other Property.

25. Construction of Deed to Secure Debt. This Security Deed is and may be construed as a deed to secure debt, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the lien hereof and the assignment and security interest created hereby and the purposes and agreements herein set forth.

26. Successors and Assigns. All covenants and agreements herein made by the undersigned shall bind the undersigned and the heirs, personal representatives, successors and assigns of the undersigned; and every option, right and privilege herein reserved or secured to the Grantee shall inure to the benefit of the Grantee's successors and assigns.

27. Waiver and Election. The exercise by the Grantee of any option given under the terms of this Security Deed shall not be considered as a waiver of the right to exercise any other option given herein, and the filing of a suit to foreclose the lien, security interest and assignment granted by this Security Deed, either on any matured portion of the Debt or for the whole of the Debt, shall not be considered an election so as to preclude foreclosure under power of sale after a dismissal of the suit; nor shall the publication of notices for foreclosure preclude the prosecution of a later suit thereon. No failure or delay on the part of the Grantee in exercising any right, power or remedy under this Security Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or thereunder. The remedies provided in this Security Deed and in the other Security Documents are cumulative and not exclusive of any remedies provided by law. No amendment, modification, termination or waiver of any provisions of this Security Deed or any of the Security Documents, nor consent to any departure by the Grantor therefrom, shall be effective unless the same

shall be in writing and signed by an executive officer of the Grantee, and then such waiver or consent shall be effective only in this specific instance and for the specific purpose for which given. No notice to, or demand on, the Grantor in any case shall entitle the Grantor to any other or further notice or demand in similar or other circumstances.

28. Landlord-Tenant Relationship. Any sale of the Property under this Security Deed shall, without further notice, create the relationship of landlord and tenant at sufferance between the purchaser and the Grantor.

29. Enforceability. If any provision of this Security Deed is now or at any time hereafter becomes invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and the remaining provisions hereof shall be construed in favor of the Grantee to effectuate the provisions hereof.

30. Application of Payments. If the lien, assignment or security interest created by this Security Deed is invalid or unenforceable as to any part of the Debt or is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the Debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the Debt, and all payments made on the Debt, whether voluntary or under foreclosure or other enforcement action or procedures, shall be considered to have been first paid on, and applied to, the full payment of that portion of the Debt which is not secured or not fully secured by said lien, assignment or security interest created hereby.

31. Meaning of Particular Terms. Whenever used, the singular number shall include the plural and the plural the singular, and pronouns of one gender shall include all genders; and the words "Grantor" and "Grantee" shall include their respective successors and assigns. Plural or singular words used herein to designate the undersigned shall be construed to refer to the maker or makers of this Security Deed, whether one or more natural persons, corporations, associations, partnerships, limited liability companies or other entities.

32. Advances by the Grantee. If the Grantor shall fail to comply with the provisions hereof with respect to the securing of insurance, the payment of Liens, the keeping of the Property in repair, the performance of the Grantor's obligations under any Lease, the payment of any prior mortgages, or the performance of any other term or covenant herein contained, the Grantee may (but shall not be required to) make advances to perform the same, and where necessary enter the Property for the purpose of performing any such term or covenant. The Grantor agrees to repay all such sums advanced upon demand, with interest from the date such advances are made, at the rate provided for in the Note, or the highest rate permitted by law, whichever shall be less, and all sums so advanced with interest shall be a part of the Debt and shall be secured hereby. The making of any such advances shall not be construed as a waiver by the Grantee of any Event of Default resulting from the Grantor's failure to pay the amounts paid.

33. Release or Extension by the Grantee. The Grantee, without notice to the Grantor and without in any way affecting the rights of the Grantee hereunder as to any part of the Property not expressly released, may release any part of the Property or any person liable for any of the Debt and may agree with any party with an interest in the Property to extend the time for payment of all or any part of the Debt or to waive the prompt and full performance of any term, condition or covenant of the Note, any of the Security Documents, this Security Deed or any other instrument evidencing or securing the Debt. Upon Grantor's payment in full and satisfaction of all obligations evidenced by the Debt, Grantee shall promptly upon request execute and deliver to Grantor such instruments that are reasonably necessary to evidence the termination of Grantee's security interest in the Property of record.

34. Partial Payments. Acceptance by the Grantee of any payment of less than the full amount due on the Debt shall be deemed acceptance on account only, and the failure of the Grantor to pay the entire amount then due shall be and continue to constitute an Event of Default, and at any time thereafter and until the entire amount due on the Debt has been paid, the Grantee shall be entitled to exercise all rights conferred on it by the terms of this Security Deed in case of the occurrence of an Event of Default.

35. Addresses for Notices. All notices, requests, demands and other communications provided for hereunder shall be delivered in accordance with the terms of Section 7.01 of the Loan Agreement.

36. Titles. All section, paragraph, subparagraph or other titles contained in this Security Deed are for reference purposes only, and this Security Deed shall be construed without reference to said titles.

37. Commercial Transaction. The interest of Grantee under this Security Deed and the liability and obligation of Grantor for the Debt arise from a "commercial transaction" within the meaning of the O.C.G.A. § 44-14-260(1). Accordingly, pursuant to O.C.G.A. § 44-14-263, Grantor waives any and all rights that Grantor may have to notice, except as expressly provided in this Security Deed, prior to seizure by Grantee of any interest in personal property of Grantor which constitutes part of the Property, whether such seizure is by writ of possession or otherwise.

38. Attorneys' Fees. Whenever the provisions of this Security Deed or any other Loan Document provide for Grantor to pay Grantee's attorneys' fees and expenses, such obligation shall be construed to mean the fees and expenses of Grantee's outside counsel actually incurred at standard hourly rates, rather than a percentage of principal and interest as provided in O.C.G.A. §13-1-11(a) (2).

39. Further Assurances; Appointment of Attorney-in-Fact. Upon request by Grantee, from time to time, Grantor shall prepare, execute and deliver, or cause to be prepared, executed and delivered, to Grantee, all instruments, certificates and other documents which may, in the opinion of Grantee, be necessary or desirable in order to effectuate, complete, perfect or continue and preserve the Debt and the security title, security interest, rights and/or lien of this Security Deed. Upon any failure by Grantor to do so, Grantee may prepare, execute and record any such instruments, certificates and documents for and in the name of Grantor and Grantor hereby appoints Grantee the agent and attorney-in-fact of Grantor for such purposes. This power is coupled with an interest and shall be irrevocable so long as any part of the Debt remain unpaid or unperformed. Grantor shall reimburse Grantee for all sums expended by Grantee in preparing, executing and recording such instruments, certificates and documents and such sums shall be secured by this Security Deed.

40. Additional Security Instruments. Grantor, from time to time and within fifteen (15) days after request by Grantee, shall execute, acknowledge and deliver to Grantee such chattel mortgages, security deeds, deeds to secure debt, security agreements or other similar security instruments, in form and substance satisfactory to Grantee, covering all property of any kind whatsoever owned by Grantor or in which Grantor may have any interest which, in the opinion of Grantee, is necessary to the operation and maintenance of the Property or is otherwise a part of the Property. Grantor, from time to time and within fifteen (15) days after request by Grantee, shall also execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement, supplementary mortgage, supplementary deed to secure debt, supplementary security deed or other document as Grantee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of, this Security Deed or such chattel mortgage, deed to secure debt, security deed or other security instrument, as a first-priority security title, security interest, rights and/or lien. Grantor shall pay

to Grantee on demand all costs and expenses incurred by Grantee in connection with the preparation, execution, recording, filing and refiling of any such instrument or document, including charges for examining title and reasonable attorneys' fees and expenses for rendering an opinion as to the priority of this Security Deed and of each such chattel mortgage, deed to secure debt or other security agreement or instrument as a valid and subsisting first priority security title, security interest, rights and/or lien on such property. Neither a request so made by Grantee, nor the failure of Grantee to make such a request, shall be construed as a release of such property, or any part thereof, from the security title, security interest, rights and/or lien of this Security Deed. This covenant and each such deed to secure debt, security deed, mortgage, chattel or other security agreement or instrument, delivered to Grantee are cumulative and given as additional security. Grantor shall pay all premiums and related costs in connection with any title insurance policy or policies in full or partial replacement of the title insurance policy now insuring or which will insure the security title of this Security Deed.

41. Non-Borrower Owner Provisions.

(a) Conditions to Exercise of Rights. Grantor hereby waives any right it may now or hereafter have to require Grantee, as a condition to the exercise of any remedy or other right against Grantor hereunder or under any other document executed by Grantor in connection with any Debt: (a) to proceed against Borrower or any other person, or against any other collateral assigned to Grantee by Grantor or Borrower or other person; (b) to pursue any other right or remedy in Grantee's power; (c) to give notice of the time, place or terms of any public or private sale of real or personal property collateral assigned to Grantee by Borrower or other person (other than Grantor), or otherwise to comply with the Uniform Commercial Code (as modified or recodified from time to time, "UCC") with respect to any such personal property collateral; or (d) to make or give (except as otherwise expressly provided in the Loan Documents) any presentment, demand, protest, notice of dishonor, notice of protest or other demand or notice of any kind in connection with any Debt or any collateral (other than the Property) for any Debt.

(b) Defenses. Grantor waives any and all rights and defenses based upon or arising out of (a) any legal disability or other defense of Borrower, any other guarantor or other person or by reason of the cessation or limitation of the liability of Borrower from any cause other than full payment of all sums payable under the Loan Documents and satisfaction of all obligations under or in connection with any Hedge Agreement between Borrower and Grantee; (b) any lack of authority of the officers, directors, partners, managers, members or agents acting or purporting to act on behalf of Borrower, Grantor or any principal of Borrower or Grantor, any defect in the formation of Borrower, Grantor or any principal of Borrower or Grantor; (c) the application by Borrower of the proceeds of the Loan for purposes other than the purposes represented by Borrower to Grantee or intended or understood by Grantee or Grantor; (d) any act or omission by Grantee which directly or indirectly results in, or contributes to, the release of Borrower or any other person or any collateral for any Debt; (e) the unenforceability or invalidity of any collateral assignment or guaranty with respect to any Debt, or the lack of perfection or continuing perfection or lack of priority of any lien which secures any Debt; (f) any failure of Grantee to marshal assets in favor of Grantor or any other person; (g) any modification of any Debt, including, without limitation, any renewal, extension, acceleration or increase in interest rate; (h) an election of remedies by Grantee, even though that election of remedies (such as a non-judicial foreclosure, if available and/or permitted, with respect to security for a guaranteed obligation) has or may have destroyed Grantor's rights of subrogation, reimbursement and contribution against the principal by the operation of applicable law or otherwise; (i) Grantee's failure to disclose to Grantor any information concerning Borrower's financial condition or any other circumstances bearing on Borrower's ability to pay and perform its obligations under the Note or any of the other Loan Documents and any obligations under or in connection with any Hedge Agreement

between Borrower and Grantee, or upon the failure of any other principals of Borrower to guaranty the Loan or any obligations under or in connection with any Hedge Agreement between Borrower and Grantee; (j) any statute or rule of law which provides that the obligation of a surety or guarantor must be neither larger in amount nor in any other respects more burdensome than that of a principal or which reduces a surety's or guarantor's obligation in proportion to the principal obligation; (k) any failure of Grantee to file or enforce a claim in any bankruptcy or other proceeding with respect to any person; (l) Grantee's election, in any proceeding instituted under the United States Bankruptcy Code, of the application of Section 1111(b)(2) of the United States Bankruptcy Code or any successor statute; (m) any borrowing or any grant of a security interest under Section 364 of the United States Bankruptcy Code; (n) any right of subrogation, any right to enforce any remedy which Grantee may have against Borrower and any right to participate in, or benefit from, any security for the Note or the other Loan Documents or any obligations under or in connection with any Hedge Agreement between Borrower and Grantee now or hereafter held by Grantee; (o) presentment, demand, protest and notice of any kind; (p) any statute of limitations affecting the liability of Grantor hereunder or the enforcement hereof; (q) any right to require Grantee to institute suit or exhaust remedies against Borrower or others liable for any of such indebtedness, to enforce Grantee's rights against any collateral which shall have been given to secure the Loan, to enforce Grantee's rights against any other guarantors of such indebtedness, to join Borrower or any others liable on such indebtedness in any action seeking to enforce this Security Instrument, to resort to any other means of obtaining payment of such indebtedness; (r) notices of disbursement of Loan proceeds, acceptance hereof, proof of non-payment, default under any of the Loan Documents, notices and demands of any kind; (s) the invalidity, illegality or unenforceability of all or any portion of the indebtedness secured hereby or any of the Loan Documents for any reason whatsoever, including that interest on such indebtedness violates applicable usury laws, that Borrower or others liable for all or a portion thereof have valid defenses, claims or offsets to all or a portion of such indebtedness, or that the Note or other Loan Documents have been forged or otherwise are irregular or not genuine or authentic (it being agreed that Grantor shall remain liable under this Security Instrument regardless of whether Borrower or any other person shall be found not liable for repayment of all or a portion of such indebtedness); (t) use of cash collateral under Section 363 of the United States Bankruptcy Code; or (u) any agreement or stipulation with respect to the provision of adequate protection in any bankruptcy proceeding of any person. Grantor further specifically waives any and all rights and defenses that Grantor may have because Borrower's debt is secured by real property; this means, among other things, that: (1) Grantee may collect from Grantor without first foreclosing on any real or personal property collateral pledged by Borrower; (2) if Grantee forecloses on any real property collateral pledged by Borrower, then (A) the amount of the debt may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price, and (B) Grantee may collect from Grantor even if Grantee, by foreclosing on the real property collateral, has destroyed any right Grantor may have to collect from Borrower. The foregoing sentence is an unconditional and irrevocable waiver of any rights and defenses Grantor may have because Borrower's debt is secured by real property. This understanding and waiver is made in addition to and not in limitation of any of the other terms and conditions of this Security Instrument. These rights and defenses being waived by Grantor include, but are not limited to, any rights or defenses based upon deficiency limitation or anti-deficiency, redemption or other similar rights, if any. To the extent permitted under applicable law, Grantor agrees that the payment or performance of any act which tolls any statute of limitations applicable to the Note or any of the other Loan Documents shall similarly operate to toll the statute of limitations applicable to Grantor's liability hereunder.

(c) Subrogation. Grantor hereby waives, until such time as all Debt is fully performed: (a) any right of subrogation against Borrower that relates to any Debt; (b) any right to

enforce any remedy Grantor may now or hereafter have against Borrower that relates to any Debt; and (c) any right to participate in any collateral now or hereafter assigned to Grantee with respect to any Debt.

(d) Borrower Information. Grantor warrants and agrees: (a) that Grantor has not relied, and will not rely, on any representations or warranties by Grantee to Grantor with respect to the credit worthiness of Borrower or the prospects of repayment of any Debt from sources other than the Property; (b) that Grantor has established and/or will establish adequate means of obtaining from Borrower on a continuing basis financial and other information pertaining to the business operations, if any, and financial condition of Borrower; (c) that Grantor assumes full responsibility for keeping informed with respect to Borrower's business operations, if any, and financial condition; (d) that Grantee shall have no duty to disclose or report to Grantor any information now or hereafter known to Grantee with respect to Borrower, including, without limitation, any information relating to any of Borrower's business operations or financial condition; and (e) that Grantor is familiar with the terms and conditions of the Loan Documents and consents to all provisions thereof.

(e) Reinstatement of Lien. Grantee's rights hereunder shall be reinstated and revived, and the enforceability of this mortgage shall continue, with respect to any amount at any time paid on account of any Debt which Grantee is thereafter required to restore or return in connection with a bankruptcy, insolvency, reorganization or similar proceeding with respect to Borrower.

(f) Subordination. Until all of the Debt has been fully paid and performed: (a) Grantor hereby agrees that all existing and future indebtedness and other obligations of Borrower to Grantor (collectively, the "Subordinated Debt") shall be and are hereby subordinated to all Debt which constitutes obligations of Borrower, and the payment thereof is hereby deferred in right of payment to the prior payment and performance of all such Debt; (b) Grantor shall not collect or receive any cash or non-cash payments on any Subordinated Debt or transfer all or any portion of the Subordinated Debt; and (c) in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, Borrower with respect to any Subordinated Debt is received by Grantor, such payment or distribution shall be held in trust and immediately paid over to Grantee, is hereby assigned to Grantee as security for the Debts, and shall be held by Grantee in an interest bearing account until all Debts have been fully paid and performed.

(g) Binding Arbitration.

(i) AS DETAILED IN THE FOLLOWING PARAGRAPHS, UNDER THIS PROVISION, BOTH MORTGAGEE AND BORROWER EXPRESSLY WAIVE RIGHTS TO PURSUE OR RESOLVE DISPUTES BETWEEN THEM IN COURT OR IN A CLASS ACTION (REGARDLESS OF WHETHER THAT CLASS ACTION IS BROUGHT IN COURT OR IN ARBITRATION).

(ii) DISPUTES, CLAIMS, OR CONTROVERSIES (HEREINAFTER "DISPUTES") BETWEEN OR AMONG THE PARTIES TO THIS MORTGAGE SHALL BE RESOLVED BY BINDING ARBITRATION. DISPUTES SHALL INCLUDE ALL CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, THIRD PARTY CLAIMS, INTERPLEADERS, OR CONTROVERSIES ARISING OUT OF OR RELATING TO THIS MORTGAGE, AND/OR ANY ACTION TAKEN (OR ANY OMISSION TO TAKE ANY ACTION) IN CONNECTION WITH THE FOREGOING. DISPUTES SHALL BE SUBJECT TO BINDING ARBITRATION REGARDLESS OF

THE NATURE OF THE CAUSES OF ACTION ASSERTED OR THE RELIEF OR REMEDY SOUGHT. DISPUTES HEREUNDER INCLUDE NOT ONLY DISPUTES THAT MORTGAGEE AND MORTGAGOR MAY HAVE AGAINST EACH OTHER, BUT ALSO DISPUTES THAT MORTGAGEE AND MORTGAGOR MAY HAVE AGAINST EACH OTHER'S AFFILIATES, PREDECESSORS, SUCCESSORS, ASSIGNS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, AND REPRESENTATIVES.

(iii) MORTGAGEE AND MORTGAGOR AGREE THAT ARBITRATION REPLACES THE RIGHT TO GO TO COURT, AND THUS THE PARTIES WAIVE ANY RIGHT TO HAVE DISPUTES TRIED BEFORE A JUDGE OR A JURY.

(iv) MORTGAGEE AND MORTGAGOR ALSO AGREE THAT NEITHER PARTY WILL BE ABLE TO PURSUE DISPUTES AS A CLASS ACTION OR OTHER REPRESENTATIVE ACTION (SUCH AS AN ACTION IN THE FORM OF A PRIVATE ATTORNEY GENERAL) IN COURT OR IN ARBITRATION, AND THE PARTIES WAIVE THE RIGHT TO DO SO. IF THE PRECEDING SENTENCE IS HELD TO BE INVALID BY A COURT OF LAW, THEN ANY CLASS OR REPRESENTATIVE ACTION WILL NOT BE RESOLVED THROUGH ARBITRATION AND WILL BE RESOLVED IN COURT.

(v) Because this arbitration provision is made pursuant to transactions involving interstate commerce, the parties acknowledge and agree that it shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1, et seq., as the same may be amended from time to time.

(vi) The party pursuing Disputes in arbitration must pursue the Disputes before the American Arbitration Association ("AAA") under the AAA Commercial Finance rules (the "Commercial Finance Rules"). The Commercial Finance Rules and related forms may be obtained from and Disputes may be filed at American Arbitration Association, 335 Madison Avenue, Floor 10, New York, NY 10017-4605, 800-778-7879, www.adr.org. Any arbitration hearing shall be held at a place chosen by the arbitrator(s) or AAA within the federal district in which Grantor's principal place of business is located, or at some other place to which Grantee and Grantor agree in writing. Judgment upon any arbitration award may be entered in any court having jurisdiction.

(vii) In arbitration, resolution of Disputes shall be based solely upon the law of the State of Alabama and, where applicable, the United States. The arbitrator or arbitrators may not add to, modify, invalidate, or ignore any provision of this mortgage or the controlling law. 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 any such arbitration proceeding. In the event of any conflict between the Commercial Finance Rules and this arbitration provision, the terms of this arbitration provision control.

(viii) This arbitration provision shall survive termination of this mortgage. If any portion of this provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force.

(ix) IN THE EVENT THAT THE FOREGOING BINDING ARBITRATION PROVISION IS DEEMED UNENFORCEABLE, AND THUS MORTGAGEE AND

MORTGAGOR ARE REQUIRED TO LITIGATE IN COURT, MORTGAGOR AND MORTGAGEE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY OR ANY EXERCISE BY ANY PARTY OF THEIR RESPECTIVE RIGHTS UNDER THE LOAN DOCUMENTS OR IN ANY WAY RELATING TO THE LOAN OR THE PROJECT (INCLUDING, WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS MORTGAGE, AND ANY CLAIM OR DEFENSE ASSERTING THAT THIS MORTGAGE WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR MORTGAGEE TO ENTER INTO THIS MORTGAGE.

Signatures commence on the following page

IN WITNESS WHEREOF, the undersigned Grantor has caused this Security Deed to be executed and delivered under seal as of the date first written above.

Premier Kings of Georgia Inc.
~~Premier Kings of Georgia Inc.~~

By: _____ [SEAL]
Name: Manraj "Patrick" Sidhu
Title: President

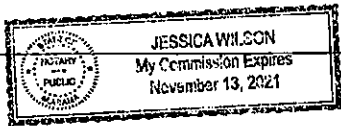
Signed, sealed and delivered
in the presence of:

Cassie Wain

Unofficial Witness

Jessica Wilson
Notary Public

My Commission Expires:



[NOTARIAL SEAL]

EXHIBIT A
TO
DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES

[Legal Description]

ALL THAT TRACT or parcel of land lying and being in the 8th GMD of Chatham County, Georgia, being Lot B, Waterford Shoppes, Phase 1, as more particularly depicted on a plat recorded in Plat Book 37-S, Page 71, Records of Chatham County, Georgia, which plat is incorporated herein by reference hereto.

TOGETHER WITH those easement rights arising under that certain Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of September 19, 2005, filed for record September 20, 2005 at 11:01 a.m., recorded in Deed Book 294-Q, Page 361, Records of Chatham County, Georgia; as amended by that certain Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of March 19, 2007, filed for record March 21, 2007 at 11:23 a.m., recorded in Deed Book 322-U, Page 457, aforesaid Records; as further amended by that certain First Amendment to Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated February 21, 2008, filed for record February 26, 2008 at 10:31 a.m., recorded in Deed Book 337-V, Page 103, aforesaid Records; as assigned by that certain Assignment and Assumption of Declarant's Rights by and between Port Wentworth Retail Investors, LLC, a North Carolina limited liability company and Port Wentworth Fee Owner, LLC, a Delaware limited liability company, dated as of May 31, 2013, filed for record June 5, 2013 at 9:57 a.m., recorded in Deed Book 387-Z, Page 942, aforesaid Records.

Exhibit A

EXHIBIT B
TO
DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES

[Permitted Exceptions]

1. All taxes for the year 2019 and subsequent years, a lien not yet due and payable.
2. Deed to Secure Debt and Security Agreement from Port Wentworth Fee Owner, LLC, a Delaware limited liability company to Ladder Capital Finance I LLC, a Delaware limited liability company, dated May 31, 2013, filed for record June 5, 2013 at 9:59 a.m., recorded in Deed Book 387-Z, Page 952, Records of Chatham County, Georgia; as assigned by that certain Assignment of Deed to Secure Debt and Security Agreement from Ladder Capital Finance I LLC, a Delaware limited liability company to U.S. Bank National Association, as Trustee for the Registered Holders of Wells Fargo Commercial Mortgage Trust 2013-LC12, Commercial Mortgage Pass-Through Certificates, Series 2013-LC12, dated August 20, 2013, filed for record October 18, 2013 at 8:33 a.m., recorded in Deed Book 391-Y, Page 833, aforesaid Records; as affected by that certain Subordination, Non-Disturbance and Attornment Agreement filed for record immediately prior hereto in the aforesaid Records.
3. Assignment of Leases and Rents from Port Wentworth Fee Owner, LLC, a Delaware limited liability company to Ladder Capital Finance I LLC, a Delaware limited liability company, dated as of May 31, 2013, filed for record June 5, 2013 at 10:00 a.m., recorded in Deed Book 388-A, Page 1, aforesaid Records; as assigned by that certain Assignment of Assignment of Leases and Rents from Ladder Capital Finance I LLC, a Delaware limited liability company to U.S. Bank National Association, as Trustee for the Registered Holders of Wells Fargo Commercial Mortgage Trust 2013-LC12, Commercial Mortgage Pass-Through Certificates, Series 2013-LC12, dated August 20, 2013, filed for record October 18, 2013 at 8:33 a.m., recorded in Deed Book 391-Y, Page 836, aforesaid Records.
4. UCC Financing Statement showing Port Wentworth Fee Owner, LLC as Debtor and Ladder Capital Finance I LLC as Secured Party, filed for record June 5, 2013 at 10:00 a.m., recorded in Deed Book 388-A, Page 15, aforesaid Records; as continued by UCC Financing Statement Amendment filed for record December 8, 2017 at 3:38 p.m., recorded in Deed Book 1237, Page 170, aforesaid Records; as assigned to U.S. Bank National Association, as Trustee for the Registered Holders of Wells Fargo Commercial Mortgage Trust 2013-LC12, Commercial Mortgage Pass-Through Certificates, Series 2013-LC12 by UCC Financing Statement Amendment, filed for record October 8, 2013 at 8:41 a.m., recorded in Deed Book 391-R, Page 649, aforesaid Records.
5. Drainage Rights as contained in that certain Right of Way Easement from Julian F. Chisholm to Highway Department of Georgia, undated, recorded January 21, 1947, recorded in Deed Book 43-Y, Page 219, aforesaid Records.
6. Easement from Julian F. Chisholm, Sr. to the Mayor and Alderman of The City of Savannah, dated June 1946, recorded July 18, 1947, recorded in Deed Book 44-X, Page 443, aforesaid Records.

Exhibit B

7. Limitation of access as contained in that certain Right of Way Deed from Susan Cummings Wyllly, Polly W. Cooper, et al to Department of Transportation, dated December 5, 2002, filed for record December 17, 2002 at 10:25 a.m., recorded in Deed Book 244-K, Page 704, aforesaid Records.
8. Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of September 19, 2005, filed for record September 20, 2005 at 11:01 a.m., recorded in Deed Book 294-Q, Page 361, aforesaid Records; as amended by that certain Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of March 19, 2007, filed for record March 21, 2007 at 11:23 a.m., recorded in Deed Book 322-U, Page 457, aforesaid Records; as further amended by that certain First Amendment to Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated February 21, 2008, filed for record February 26, 2008 at 10:31 a.m., recorded in Deed Book 337-V, Page 103, aforesaid Records; as assigned by that certain Assignment and Assumption of Declarant's Rights by and between Port Wentworth Retail Investors, LLC, a North Carolina limited liability company and Port Wentworth Fee Owner, LLC, a Delaware limited liability company, dated as of May 31, 2013, filed for record June 5, 2013 at 9:57 a.m., recorded in Deed Book 387-Z, Page 942, aforesaid Records; but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.
9. Restrictions as contained in that certain Lease as evidenced by that certain Memorandum of Lease by and between Port Wentworth Retail Investors, LLC, a North Carolina limited liability company ("Landlord") and Food Lion, LLC, a North Carolina limited liability company ("Tenant"), dated January 3, 2007, filed for record March 19, 2007 at 9:24 a.m., recorded in Deed Book 322-Q, Page 624, aforesaid Records; but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.
10. Easement from Port Wentworth Retail Investors, LLC to Georgia Power Company, dated April 25, 2007, filed for record June 14, 2007 at 9:15 a.m., recorded in Deed Book 327-E, Page 608, aforesaid Records.
11. Underground Easement from Port Wentworth Retail Investors, LLC to Georgia Power Company, dated September 6, 2007, filed for record November 9, 2007 at 11:59 a.m., recorded in Deed Book 334-C, Page 58, aforesaid Records.
12. Restrictions as contained in that certain Lease as evidenced by that certain Short Form Lease by and between Port Wentworth Retail Investors, LLC, a North Carolina limited liability company ("Landlord") and Family Dollar Stores of Georgia, Inc., a Georgia corporation ("Tenant"), dated December 21, 2007, filed for record February 15, 2008 at 10:30 a.m., recorded in Deed Book 337-M, Page 183, aforesaid Records; as re-recorded March 27, 2008 at 10:50 a.m., recorded in Deed Book 339-B, Page 60, aforesaid Records; but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said

covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

13. Underground Easement from Port Wentworth Retail Investors, LLC to Georgia Power Company, dated April 24, 2008, filed for record June 13, 2008 at 9:10 a.m., recorded in Deed Book 341-Y, Page 158, aforesaid Records.
14. Terms, conditions and obligations as contained in that certain Memorandum of Ground Lease by and between Port Wentworth Fee Owner, LLC, a Delaware limited liability company ("Lessor") and Premier Kings of Georgia, Inc., a Georgia corporation ("Lessee"), effective as of December 20, 2018, filed for record January 22, 2019 at 10:45 a.m., recorded in Deed Book 1536, Page 143, aforesaid Records; as affected by that certain Subordination, Non-Disturbance and Attornment Agreement filed for record immediately prior hereto in the aforesaid Records.
15. Those matters as disclosed by that certain survey entitled "An ALTA/NSPS Land Title Survey Prepared For: Premier Kings Companies, First Chatham Bank, its successors and/or assigns, IberiaBank, a Louisiana state chartered bank, its successors and assigns, and Chicago Title Insurance Company", prepared by Brewer Land Surveying, bearing the seal and certification of James Craig Brewer, Georgia Registered Land Surveyor No. 3022, dated March 20, 2019, last revised April 3, 2019, being designated as Project No. 180471.1, as follows:
 - a. Drainage line with fifteen (15') foot easement crossing the northerly and southerly boundary lines of subject property;
 - b. Water lines crossing the easterly boundary line of subject property;
 - c. Sanitary sewer line crossing the easterly boundary line of subject property; and
 - d. Fifteen (15") inch reinforced concrete pipe crossing the northerly boundary line of subject property and twenty-four (24") inch and thirty (30") inch reinforced concrete pipe crossing the southerly boundary line of subject property.

FILED & RECORDED

Monday, May 20, 2019 3:50:51 PM

File Number: 025-2019-001371

Tammie Mosley

Chatham County Clerk of Superior Court

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) James L. Webb 205-521-8000	
B. E-MAIL CONTACT AT FILER (optional) jwebb@bradley.com	
C. SET-ASIDE SPACE FOR RETURN TO FILER ADDRESS <div style="border: 1px solid black; padding: 5px; text-align: center;"> After recording return to: Calloway Title & Escrow, LLC David W. Dudley 2.34359 4170 Ashford Dunwoody Rd. Ste. 525 Atlanta, Georgia 30319 </div>	

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 Premier Kings of Georgia Inc.					
OR	1b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 3300 Eastern Blvd.			CITY Montgomery	STATE AL	POSTAL CODE 36116
				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					
OR	2b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE
				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 IBERIABANK					
OR	3b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 2340 Woodcrest Place			CITY Birmingham	STATE AL	POSTAL CODE 35209
				COUNTRY USA	

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

All Equipment, Fixtures and Furniture of Debtor located at or which are used in connection with the property located in Chatham County, Georgia and more particularly described on Exhibit A attached hereto and the improvements located thereon from time to time and whether now or hereafter existing and whether now owned or hereafter acquired, of every kind and description.

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, Item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor Is a Transmitting Utility	6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA: 202102-301033 filed with the Clerk of Chatham County, GA (central filing)	

**EXHIBIT A
TO
UCC FINANCING STATEMENT**

[Legal Description]

ALL THAT TRACT or parcel of land lying and being in the 8th GMD of Chatham County, Georgia, being Lot B, Waterford Shoppes, Phase 1, as more particularly depicted on a plat recorded in Plat Book 37-S, Page 71, Records of Chatham County, Georgia, which plat is incorporated herein by reference hereto.

TOGETHER WITH those easement rights arising under that certain Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of September 19, 2005, filed for record September 20, 2005 at 11:01 a.m., recorded in Deed Book 294-Q, Page 361, Records of Chatham County, Georgia; as amended by that certain Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated as of March 19, 2007, filed for record March 21, 2007 at 11:23 a.m., recorded in Deed Book 322-U, Page 457, aforesaid Records; as further amended by that certain First Amendment to Amended and Restated Declaration of Easements, Restrictions and Maintenance Responsibilities (Shopping Center and Outparcel Property) by Port Wentworth Retail Investors, LLC, a North Carolina limited liability company, dated February 21, 2008, filed for record February 26, 2008 at 10:31 a.m., recorded in Deed Book 337-V, Page 103, aforesaid Records; as assigned by that certain Assignment and Assumption of Declarant's Rights by and between Port Wentworth Retail Investors, LLC, a North Carolina limited liability company and Port Wentworth Fee Owner, LLC, a Delaware limited liability company, dated as of May 31, 2013, filed for record June 5, 2013 at 9:57 a.m., recorded in Deed Book 387-Z, Page 942, aforesaid Records.

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "Guaranty") is executed as of the 17th day of May, 2019, by **Premier Kings of Georgia Inc.**, a Georgia corporation (the "Entity Guarantor") and **Manraj "Patrick" Sidhu**, a resident of Alabama and **Jaipal Gill**, a resident of Georgia (together, the "Individual Guarantor" and collectively with the Entity Guarantor, the "Guarantor"), in favor of **IBERIABANK**, a Louisiana state chartered bank (the "Lender").

Recitals

A. Premier Holdings of Georgia, LLC, a Georgia limited liability company (the "Borrower"), has entered into a loan agreement (as modified, amended, supplemented and/or restated from time to time, the "Loan Agreement") with the Lender of even date herewith, providing, among other things, for loans by the Lender to the Borrower (i) in the original principal amount of \$1,030,000 (the "Real Estate Loan"), as evidenced by the Borrower's promissory note (as modified, amended, supplemented, renewed and/or restated from time to time, the "Real Estate Note"), dated of even date, and executed and delivered to the Lender and (ii) in the original principal amount of \$517,500 (the "Equipment Loan" and together with the Real Estate Loan, the "Loan"), as evidenced by the Borrower's promissory note (as modified, amended, supplemented, renewed and/or restated from time to time, the "Equipment Note" and together with the Real Estate Note, the "Note"), dated of even date, and executed and delivered to the Lender. Any capitalized term used but not otherwise defined in this Guaranty shall have the meaning ascribed to such term in the Loan Agreement.

B. To induce the Lender to make the Loan, Guarantor has agreed, among other things, to guarantee the payment and performance of the obligations and liabilities of the Borrower to the Lender with respect to the Loan pursuant to the terms and conditions hereafter set forth.

C. Guarantor understands that the Lender is relying upon the agreement of Guarantor as hereafter set forth as a material condition to the Lender's agreement to make the Loan to the Borrower.

Agreement

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and as a material inducement to Lender to extend credit to Borrower, the Guarantor hereby guarantees to Lender the prompt and full payment and performance of the indebtedness and obligations described below in this Guaranty (collectively called the "Guaranteed Obligation"), this Guaranty being upon the following terms and conditions:

1. Definitions. For purposes of this Guaranty, except as otherwise expressly provided or unless the context otherwise requires:

Port Wentworth, GA

(a) Singular terms shall include the plural as well as the singular and vice versa.

(b) All references to other documents or instruments shall be deemed to refer to such documents or instruments as they may hereafter be extended, renewed, modified, or amended (except to the extent such extension, renewal, modification or amendment is restricted by this Guaranty).

2. Guaranty of Payment.

(a) Guarantor hereby unconditionally guarantees to Lender the payment, as and when the same shall be due and payable, whether by lapse of time, by acceleration of maturity or otherwise, and at all times thereafter, of all principal, interest, fees, costs, expenses, attorneys' fees, indemnification indebtedness and other sums of money now or hereafter due and owing pursuant to the terms of the Note or pursuant to the terms of the Loan Agreement, the Mortgage or any other of the Loan Documents now or hereafter existing (specifically including, without limitation, any Hedge Agreement), and all renewals, extensions, refinancings, modifications or amendments of such indebtedness or any part thereof together with costs of collection as set forth in Section 12 hereof (herein collectively called the "Indebtedness"). This Guaranty covers the Indebtedness whether presently outstanding or arising subsequent to the date hereof including all amounts advanced by Lender in stages or installments. The guaranty of Guarantor as set forth in this Section is a guaranty of payment and not of collection.

(b) Notwithstanding anything to the contrary contained in this Guaranty or any provision of any other Loan Document, the Guaranteed Obligation guaranteed hereunder by any Guarantor shall not extend to or include any Excluded Swap Transaction (as defined below) with respect to that Guarantor. For purposes hereof, "Excluded Swap Transaction" means, with respect to any Guarantor, any transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act ("Swap"), if, and to the extent that, such Guarantor is not an "eligible contract participant" under and as defined in Section 1a(18) of the Commodity Exchange Act (or CFTC rules promulgated thereunder) on the date such Swap is entered into or such transaction is or becomes illegal under the Commodity Exchange Act (or CFTC rules promulgated thereunder) or other applicable law.

3. Guaranty of Performance. Guarantor additionally hereby unconditionally guarantees to Lender the timely performance of all other obligations of Borrower under all of the Loan Documents, including, without limiting the generality of the foregoing, that:

(a) the Improvements will be constructed upon the Real Estate in accordance with the Loan Agreement and substantially in accordance with the Plans and Specifications; and

(b) the Improvements will be completed and ready for occupancy, including delivery of any certificates required by law or the Loan Agreement, on or before the date required in the Loan Agreement.

If any of the foregoing obligations of Borrower are not complied with, in any respect whatsoever, and without the necessity of any notice from Lender to Guarantor, Guarantor agrees

to (i) assume all responsibility for the completion of the Improvements and, at no cost to Lender, to cause the Improvements to be fully completed in substantial accordance with the Plans and Specifications and in accordance with the Loan Agreement; (ii) cause all bills to be paid in connection with the construction of the Improvements; and (iii) indemnify and hold Lender harmless from any and all loss, cost, liability or expense Lender may suffer by reason of any such event, including, without limitation, attorneys' fees. Lender shall accept performance by Guarantor of Borrower's obligations under the Loan Documents, and so long as all of said obligations are being performed by Borrower or Guarantor and there is no Event of Default, Lender will make Advances under the Loan Agreement to Borrower under and subject to the terms of the Loan Agreement. If, after the occurrence and during the continuance of an Event of Default, Lender, in its sole discretion, is dissatisfied with the progress of construction by Borrower and/or Guarantor, Lender may, at its option, after first having given notice to Guarantor at the address set forth below in the manner prescribed herein for giving notice, and provided that such Event of Default continues for a period of thirty (30) days following receipt of such notice, complete the Improvements in substantial accordance with the Plans and Specifications either before or after exercise of commencement of foreclosure proceedings or before or after any other remedy of Lender against Borrower or Guarantor, with such changes or modifications in the Plans and Specifications which Lender reasonably deems necessary and expend such sums as Lender, in its discretion, reasonably deems necessary and proper in order to so complete the Improvements in substantial accordance with the Plans and Specifications, and Guarantor hereby waives any right to contest any such reasonably necessary expenditures. The amount of any and all expenditures made by Lender before foreclosure for the foregoing purposes shall be due and payable to Lender, upon demand and shall accrue interest at the rate as provided in the Loan Documents. Lender has no, and shall have no, obligation to complete the Improvements or take any such action.

4. Primary Liability of Guarantor. This Guaranty is an absolute, irrevocable and unconditional guaranty of payment and performance. In the event of default by Borrower in payment or performance of the Guaranteed Obligation, or any part thereof, when such indebtedness or performance becomes due, either by its terms or as the result of the exercise of any power to accelerate, Guarantor, on demand and without presentment, protest, notice of protest, further notice of nonpayment or of dishonor or of default or nonperformance, or notice of acceleration or of intent to accelerate, or any other notice whatsoever, without any notice having been given to Guarantor previous to such demand of the acceptance by Lender of this Guaranty, and without any notice having been given to Guarantor previous to such demand of the creating or incurring of such indebtedness or of such obligation to perform, shall pay the amount outstanding pursuant to Section 2 hereof to Lender, or perform or observe the agreement, covenant, term or condition, as the case may be, and it shall not be necessary for Lender, in order to enforce such payment or performance by Guarantor, first to institute suit or exhaust Lender's remedies against Borrower or others liable on such indebtedness or for such performance (including any action against any other Guarantor hereof), to enforce its rights against any security which shall ever have been given to secure such indebtedness or performance, to join Borrower or any others liable on the Guaranteed Obligation in any action to enforce this Guaranty, or to resort to any other means of obtaining payment or performance of the Guaranteed Obligation. Suit may be brought or demand may be made against all parties who have signed this Guaranty, or against any one or more of them, separately or together, without

impairing the rights of Lender against any other party hereto. At any time Lender is entitled to exercise its remedies hereunder, Lender may, in its discretion elect to demand payment or performance. If Lender elects to demand performance, it shall at all times thereafter have the right to demand payment until all of the Indebtedness has been paid in full. If Lender elects to demand payment, it shall at all times thereafter have the right to demand performance until all of the Indebtedness has been paid in full. If Lender forecloses on any real property collateral securing the Indebtedness, the amount of the Indebtedness may be reduced only by the amount of the net proceeds to Lender resulting from the foreclosure sale, even if such collateral is worth more than the price for which the collateral is sold at such sale; and Lender may collect from Guarantor hereunder even if Lender, by foreclosing on the real property collateral, has destroyed any rights Guarantor may have to collect from Borrower or anyone else.

5. Certain Agreements and Waivers by Guarantor. Guarantor hereby agrees that neither Lender's rights and remedies nor Guarantor's obligations under the terms of this Guaranty shall be released, diminished, impaired, reduced or affected by any one or more of the following:

- (a) any limitation of liability or recourse in any other Loan Document;
- (b) the taking or accepting of any other security or guaranty for, or right of recourse with respect to, any or all of the Guaranteed Obligation;
- (c) any release, surrender, exchange, subordination, deterioration, waste, impairment or loss of, or any failure to create or perfect, any lien or security interest with respect to any security at any time existing or purported, believed or expected to exist in connection with any or all of the Guaranteed Obligation;
- (d) any partial release of the liability of Guarantor hereunder or any other Guarantor under a separate Guaranty, or if there is more than one person signing this Guaranty, the complete or partial release of any one or more of them hereunder;
- (e) the death, insolvency, bankruptcy, disability, dissolution, liquidation, termination, receivership, reorganization, change of form and/or name, structure or ownership, sale of all assets, or lack of limited liability company or other power of Borrower, any of the undersigned, or any party at any time liable for the payment or performance of any or all of the Guaranteed Obligation, whether now existing or hereafter occurring;
- (f) renewal, extension, modification or rearrangement of the payment or performance of any or all of the Guaranteed Obligation, either with or without notice to or consent of Guarantor, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Lender to Borrower or Guarantor from time to time;
- (g) any neglect, delay, omission, failure, or refusal of Lender to take or prosecute any action for the collection or enforcement of any of the Guaranteed Obligation or to foreclose or take or prosecute any action to foreclose upon any security therefor or to take or prosecute any action in connection with any Loan Document;

(h) any failure of Lender to notify Guarantor of any creation, renewal, extension, rearrangement, modification or assignment of the Guaranteed Obligation or any part thereof, or of any Loan Document, or of any release of or change in any security or of any other action taken or refrained from being taken by Lender against Borrower or any security or other recourse or of any new agreement between Lender and Borrower, it being understood that Lender shall not be required to give Guarantor any notice of any kind under any circumstances with respect to or in connection with the Guaranteed Obligation;

(i) the unenforceability of all or any part of the Guaranteed Obligation against Borrower, whether because the Guaranteed Obligation exceeds the amount permitted by law or violates any usury law, the act of creating the Guaranteed Obligation, or any part thereof, is ultra vires, the officers or persons creating same acted in excess of their authority, Borrower has any valid defense, claim or offset with respect thereto, or otherwise, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other person be found not liable on the Guaranteed Obligation, or any part thereof, for any reason;

(j) any payment by Borrower or any other Guarantor to Lender is held to constitute a preference under the bankruptcy laws or if for any other reason Lender is required to refund such payment or pay the amount thereof to someone else; or

(k) the construction of the Project by Lender on its own behalf or on the account of Borrower in accordance with the Loan Documents.

It is the intent of Guarantor and Lender that the obligations and liabilities of Guarantor hereunder are absolute and unconditional under any and all circumstances and that until the Guaranteed Obligation or all amounts required to be paid by Guarantor under this Guaranty are fully and finally paid and performed, such obligations and liabilities shall not be discharged or released, in whole or in part, by any act or occurrence which might, but for the provisions of this Guaranty, be deemed a legal or equitable discharge or release of a guarantor.

6. Subordination; Subrogation. If, for any reason whatsoever, Borrower is now or hereafter becomes indebted to Guarantor:

(a) such indebtedness and all interest thereon and all liens, security interests and rights now or hereafter existing with respect to property of Borrower securing same shall, at all times, be subordinate in all respects to the Guaranteed Obligation and to all liens, security interests and rights now or hereafter existing to secure the Guaranteed Obligation. Notwithstanding anything to the contrary contained in this Guaranty or any payments made by any party hereunder, until the Guaranteed Obligation is paid in full and no longer subject to being recovered or set aside, Guarantor hereby permanently and irrevocably waives any right of subrogation in or under any of the Loan Documents or to participate in any way therein, or in any right, title or interest in and to any security or right of recourse for the Guaranteed Obligation;

(b) after the occurrence of a default (whether or not declared, but if not declared, only if Guarantor has actual knowledge of the occurrence of such default) under any of the Loan Documents, Guarantor shall not be entitled to enforce or receive payment, directly or

indirectly, of any such indebtedness of Borrower to Guarantor until the Guaranteed Obligation has been fully and finally paid and performed;

(c) Guarantor hereby assigns and grants to Lender a security interest, as security for the Guaranteed Obligation, in all such indebtedness and security therefor, if any, of Borrower to Guarantor now existing or hereafter arising, including any dividends and payments pursuant to debtor relief or insolvency proceedings referred to below. In the event of receivership, bankruptcy, reorganization, arrangement or other debtor relief or insolvency proceedings involving Borrower as debtor, Lender shall have the right to prove Lender's claim in any such proceeding so as to establish Lender's rights hereunder and shall have the right to receive directly from the receiver, trustee or other custodian (whether or not a default shall have occurred or be continuing under any of the Loan Documents), dividends and payments which are payable upon any obligation of Borrower to Guarantor now existing or hereafter arising, and to have all benefits of any security therefor, until the Guaranteed Obligation has been fully and finally paid and performed. If, notwithstanding the foregoing provisions, Guarantor should receive any payment, claim or distribution which is prohibited as provided above in this Section 6, Guarantor shall pay the same to Lender, immediately, Guarantor hereby agreeing that Guarantor shall receive the payment, claim or distribution in trust for Lender and shall have absolutely no dominion over the same except to pay it immediately to Lender; and

(d) Guarantor shall promptly upon request of Lender from time to time execute such documents and perform such acts as Lender may require to evidence and perfect its interest and to permit or facilitate exercise of Lender's rights under this Section, including but not limited to execution and delivery of financing statements, proofs of claim, further assignments and security agreements, and delivery to Lender of any promissory notes or other instruments evidencing indebtedness of Borrower to Guarantor. All promissory notes, accounts receivable ledgers or other evidences, now or hereafter held by Guarantor, of obligations of Borrower to Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under and is subject to the terms of this Guaranty.

Nothing herein contained shall operate as a release or discharge, in whole or in part, of any claim of Guarantor against Borrower, by subrogation or otherwise, by reason of any act done or payment made by Guarantor pursuant to the provisions of this Guaranty; but all such claims, including claims for any indebtedness of Borrower to Guarantor, whether now existing or hereafter arising, shall be subordinate to the Guaranteed Obligation and the liens, security interests and rights of Lender under the Loan Documents.

7. Other Liability of Guarantor or Borrower. If Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. If Borrower is or becomes indebted to Lender for other than the Indebtedness, any payment received or recovery realized upon any indebtedness of Borrower to Lender may, except to the extent paid by Guarantor on the Indebtedness or specifically required by law or agreement (including, without limitation, the Loan Agreement) of Lender, be applied to the Indebtedness.

8. Lender's Successors and Assigns. This Guaranty is for the benefit of Lender and its successors and assigns, and in the event of an assignment of the Indebtedness or any part thereof, the rights and benefits hereunder, to the extent applicable to the Indebtedness so assigned, may be transferred with such Indebtedness. Guarantor waives notice of any transfer or assignment of the Indebtedness, or any part thereof, and agrees that failure to give notice will not affect the liabilities of Guarantor hereunder.

9. Binding Effect. This Guaranty is binding not only on Guarantor, but on Guarantor's estate, heirs, personal representatives, successors and assigns. Upon the death of any of the undersigned, this Guaranty shall continue against his estate and against all survivors among the undersigned as to all of the Guaranteed Obligations, including that portion incurred or arising after such death. If this Guaranty is signed by more than one person, then all of the obligations of Guarantor arising herein shall be jointly and severally binding on the undersigned, and his heirs, personal representatives, successors and assigns, and the term "Guarantor" shall mean all such persons and each of them individually. Words importing persons herein shall include firms, associations, partnerships (including limited partnerships), joint ventures, trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

10. Invalid Provisions. If any provision of this Guaranty or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Guaranty nor the application of such provision to any other person or circumstance shall be affected thereby, but rather the same shall be enforced to the greatest extent permitted by law.

11. Attorney's Fees and Costs of Collection. Guarantor shall pay on demand the reasonable attorney's fees and all other costs and expenses which may be incurred by Lender in the enforcement of or preservation of Lender's rights under this Guaranty, which covenant shall survive any payment or discharge in full of the Indebtedness.

12. Payments. All sums payable under this Guaranty shall be paid in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

13. Controlling Agreement. It is not the intention of Lender or Guarantor to obligate Guarantor to pay interest in excess of that legally permitted to be paid by Guarantor under applicable law. Should it be determined that any portion of the Guaranteed Obligation constitutes interest in excess of the maximum amount of interest which Guarantor (in such capacity) may lawfully be required to pay under applicable law, the obligation of Guarantor to pay such interest shall automatically be limited to the payment thereof in the maximum amount so permitted under applicable law. The provisions of this Section shall override and control all other provisions of this Guaranty and of any other agreement between Guarantor and Lender.

14. Warranties and Representations of Guarantor. Guarantor hereby represents and warrants that (a) Guarantor directly or indirectly owns an interest in Borrower and that this Guaranty may reasonably be expected to benefit Guarantor, in an amount not less than the

amount guaranteed hereunder; (b) this Guaranty is valid and is binding upon Guarantor; (c) Guarantor is not, and the execution, delivery and performance by Guarantor of this Guaranty will not cause Guarantor to be, in violation of or in default with respect to any law or in default (or provide cause for acceleration of indebtedness) under any agreement or restriction by which Guarantor is bound or affected; (d) except as expressly disclosed in writing to Lender, there is no action, suit or proceeding pending or to the knowledge of Guarantor threatened before or by any court or governmental authority against or affecting Guarantor which constitutes a material adverse effect on the financial condition of Guarantor or Guarantor's ability to fulfill its obligations under this Guaranty; (e) all financial statements and information heretofore furnished to Lender by Guarantor do, and all financial statements and information hereafter furnished to Lender by Guarantor will, fully and accurately in all material respects present the financial condition of Guarantor as of the dates therein, and, since the date of the most recent financial statements of Guarantor heretofore furnished to Lender, no material adverse effect has occurred with respect to the financial condition of Guarantor, nor, except as heretofore disclosed in writing to Lender, has Guarantor incurred any material liability, direct or indirect, fixed or contingent; (f) after giving effect to this Guaranty, Guarantor is solvent; (g) Lender has no duty at any time to investigate or inform Guarantor of the financial or business condition or affairs of Borrower, or any change therein; and (h) Guarantor acknowledges and agrees that Guarantor may be required to pay and perform the Guaranteed Obligation in full, subject to Section 2 hereof, without assistance or support from Borrower or any other party. Guarantor's representations and warranties are a material inducement to Lender to enter into the other Loan Documents and shall survive the execution hereof and any bankruptcy, foreclosure, transfer of security or other event affecting Borrower, Guarantor, or any security for the Indebtedness.

15. Notices and Communications. All notices and other communications hereunder shall be in writing and shall be effective when sent by certified or registered mail, return receipt requested, or by overnight courier: (a) if to Guarantor, at the address set forth on the signature page of Guarantor, or at such other address as Guarantor shall have furnished to Lender, or (b) if to the Lender, addressed to 2340 Woodcrest Place, Birmingham, Alabama 35209, Attention: Donnie Dobbins, or at such other address as Lender shall have furnished to the Guarantor.

16. Consent to Jurisdiction, Waiver of Jury Trial.

(a) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR GUARANTOR ARISING OUT OF OR RELATING TO THIS GUARANTY OR ANY OTHER LOAN DOCUMENT MAY AT THE LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE STATE OF ALABAMA, AND GUARANTOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON THE VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING. FINAL JUDGMENT IN ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT SHALL BE CONCLUSIVE AND BINDING UPON GUARANTOR AND MAY BE ENFORCED IN ANY COURT TO THE JURISDICTION OF WHICH GUARANTOR IS SUBJECT, BY A SUIT UPON SUCH JUDGMENT, PROVIDED THAT SERVICE OF PROCESS IS EFFECTED UPON GUARANTOR IN ONE OF THE

MANNERS SPECIFIED IN THIS SECTION 16 OR AS OTHERWISE PERMITTED BY LAW. NOTHING IN THIS SECTION 16 SHALL AFFECT THE RIGHT OF LENDER OTHERWISE TO BRING PROCEEDINGS AGAINST GUARANTOR IN THE COURTS OF ANY JURISDICTION OR JURISDICTIONS.

(b) GUARANTOR AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY OR ANY OTHER LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY OR ANY EXERCISE BY ANY PARTY OF THEIR RESPECTIVE RIGHTS UNDER THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR IN ANY WAY RELATING TO THIS GUARANTY, THE LOAN OR THE PROJECT (INCLUDING, WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT, AND ANY CLAIM OR DEFENSE ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE LENDER TO EXTEND THE LOAN.

(c) Guarantor hereby consents to process being served in any suit, action or proceeding of the nature referred to in this Section 16 by (i) the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to Guarantor at its or his address designated in or pursuant to Section 15 hereof and (ii) serving a copy thereof upon the agent, if any, designated and appointed by such Guarantor as its or his agent for service of process by or pursuant to this Section 16. Guarantor irrevocably agrees that such service (i) shall be deemed in every respect effective service of process upon Guarantor in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon Guarantor. Nothing in this Section 16 shall affect the right of the Lender to serve process in any manner otherwise permitted by law or limit the right of the Lender otherwise to bring proceedings against Guarantor in the courts of any jurisdiction or jurisdictions.

17. Cumulative Rights, etc. The exercise by Lender of any right or remedy hereunder or under any other Loan Document, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. Lender shall have all rights, remedies and recourses afforded to Lender by reason of this Guaranty or any other Loan Document or by law or equity or otherwise, and the same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Guarantor or others obligated for the Guaranteed Obligation, or any part thereof, or against any one or more of them, or against any security or otherwise, at the sole discretion of Lender, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Guarantor that the exercise, discontinuance of the exercise of or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse, and (d) are intended to be, and shall be, nonexclusive. No waiver of any default on the part of Guarantor, or of any breach of any of the provisions of this Guaranty or of any other document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers

granted herein or in any other document shall be construed as a waiver of such rights and powers, and likewise no exercise or enforcement of any rights or powers hereunder or under any other document shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. The granting of any consent, approval or waiver by Lender shall be limited to the specific instance and purpose and shall not constitute consent or approval in any other instance or for any other purpose. No notice to nor demand on Guarantor, in any case shall of itself entitle Guarantor, to any other or further notice or demand in similar or other circumstances. No provision of this Guaranty nor any right, remedy or recourse of Lender with respect hereto, nor any default or breach, can be waived, nor can this Guaranty or Guarantor be released or discharged in any way or to any extent, except specifically by a writing intended for that purpose (referring specifically to this Guaranty) executed by Lender.

18. Term of Guaranty. This Guaranty shall continue in full force and effect until Guarantor or Borrower has fully and finally paid all amounts (including, without limitation, the Indebtedness described in Section 2 hereof) and performed all obligations (including, without limitation, all obligations described in Section 3 hereof) required to be paid or performed by Guarantor under this Guaranty. Notwithstanding anything to the contrary contained in this Section or elsewhere in this Guaranty or in any other Loan Document, (a) if pursuant to any bankruptcy, insolvency or other debtor relief law or any order or decision thereunder Lender must rescind or restore any payment or part thereof received by Lender in satisfaction of the Indebtedness or any part thereof, the term "Indebtedness" as used herein includes such payment to the extent rescinded or restored, and, to the extent of the payment rescinded or restored, any prior return, cancellation, release or discharge by Lender of this Guaranty or of Guarantor shall be without effect and this Guaranty shall remain in full force and effect notwithstanding such return, cancellation, release or discharge, and (b) if any indemnification indebtedness is incurred pursuant to any indemnity contained in any Loan Document, the term "Indebtedness" as used herein includes such indemnification indebtedness, and, to the extent of such indemnification indebtedness, any prior return, cancellation, release or discharge by Lender of this Guaranty or of Guarantor shall be without effect and this Guaranty shall remain in full force and effect notwithstanding such return, cancellation, release or discharge.

19. Financial Reporting.

(a) The Entity Guarantor shall furnish to Lender:

(i) within one hundred twenty (120) days after the end of its fiscal year (being December 31 in each year), the balance sheet of the Entity Guarantor and its Affiliates as of the end of such year and the related statements of income and changes in financial position of the Entity Guarantor for such fiscal year, together with supporting schedules, all on a comparative basis with the prior fiscal year, in reasonable detail, prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved, and audited and certified by independent certified public accountants of recognized standing selected by Guarantor and satisfactory to Lender (the form of such certification also to be satisfactory to Lender), showing the financial condition, assets, liabilities and owners' equity of Guarantor at the close of such year and the results of the operations of the Entity Guarantor during such year;

(ii) within forty-five (45) days after the end of the first three fiscal quarters in each fiscal year, financial statements similar to those referred to in subsection (i), unaudited but certified by the chief financial officer of the Entity Guarantor, such balance sheet to be as of the end of each such quarter and such statement of income and changes in financial position to be for the period from the beginning of the fiscal year to the end of such quarter, in each case subject to audit and to year-end adjustments;

(iii) annually, within thirty (30) days of filing, a copy of the federal income tax return of the Entity Guarantor and its Affiliates for the prior fiscal year; and

(iv) as soon as practical, from time to time, such other information regarding the operations, business affairs and financial condition of Guarantor as Lender may reasonably request.

(b) The Individual Guarantor shall furnish to Lender:

(i) at least every thirteen (13) months (within thirty (30) days of the most recent statement), the personal financial statement of the Individual Guarantor for such year prepared in accordance with the books and records of the Individual Guarantor;

(ii) annually, within thirty (30) days of filing, a copy of the federal income tax return of the Individual Guarantor for the prior fiscal year; and

(iii) as soon as practical, from time to time, such other information regarding the financial condition of Guarantor as Lender may reasonably request.

20. Participations. Guarantor acknowledges and agrees that Lender may, from time to time, sell or offer to sell interests in the Loan to one or more assignees or participants pursuant to the terms of Section 7.10 of the Loan Agreement.

21. Gender; Titles; Construction. Within this Guaranty, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. Titles appearing at the beginning of any subdivisions hereof are for convenience only, do not constitute any part of such subdivisions, and shall be disregarded in construing the language contained in such subdivisions. The use of the words "herein," "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Guaranty and not to any particular section, paragraph or provision.

22. Time of Essence. Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

23. Execution. This Guaranty may be executed in multiple counterparts, each of which, for all purposes, shall be deemed an original, and all of which together shall constitute one and the same agreement; and if the term "Guarantor" includes more than one person, the failure of any one or more such persons to execute a counterpart thereof shall not impair or affect the enforceability of this Guaranty against any person who does sign this Guaranty.

24. Drafted Jointly. The parties have participated jointly in the negotiation and drafting of this Guaranty. In the event an ambiguity or question of intent or interpretation arises, there shall be no presumption or burden of proof which arises favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Guaranty.

25. Governing Law. This Guaranty shall be construed in accordance with and governed by the laws of the State of Alabama.

THE WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed by its respective duly authorized representative or have set their hand and seal as of the date first above written.

Premier Kings of Georgia~~x~~Inc.

By: 

Name: Manraj "Patrick" Sidhu

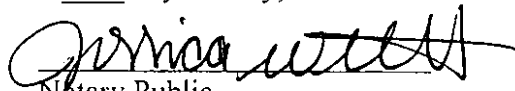
Title: President

STATE OF ALABAMA)

Montgomery COUNTY)

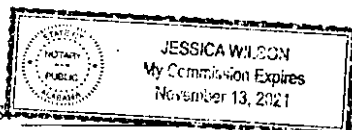
I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Manraj "Patrick" Sidhu, whose name as President of Premier Kings of Georgia~~x~~ Inc., a Georgia corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 9 day of May, 2019.


Notary Public

AFFIX SEAL

My commission expires



Address for Notices:

Premier Kings, Inc.
3300 Eastern Blvd.
Montgomery, AL 36116

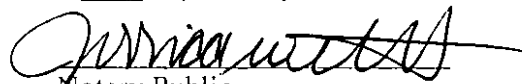

Manraj "Patrick" Sidhu

STATE OF ALABAMA)

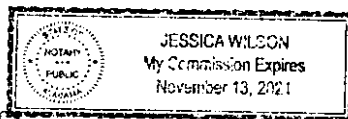
Montgomery COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Manraj "Patrick" Sidhu, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, executed the same voluntarily as of the day the same bears date.

Given under my hand and official seal this the 9 day of May, 2019.


Notary Public

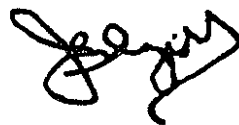
AFFIX SEAL



My commission expires: _____

Address for Notices:

Manraj "Patrick" Sidhu
3300 Eastern Blvd.
Montgomery, AL 36116




Jaipal Gill

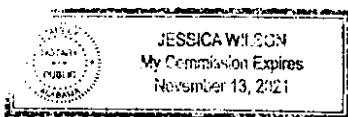
STATE OF Alabama)
Montgomery COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Jaipal Gill, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, executed the same voluntarily as of the day the same bears date.

Given under my hand and official seal this the 10 day of May, 2019.


Notary Public

AFFIX SEAL



My commission expires: _____

Address for Notices:

Jaipal Gill
3300 Eastern Blvd.
Montgomery, AL 36116

5300655755

PROMISSORY NOTE

\$1,365,200.00

March 1, 2019

For value received, without grace, **Premier Holdings of Georgia, LLC**, a Georgia limited liability company (the "Borrower"), promises to pay to the order of **IBERIABANK**, a Louisiana state chartered bank (the "Lender") (the Lender, hereinafter, along with any other holder of this note, called the "Creditor"), at the office of the Lender, the principal sum of One Million Three Hundred Sixty-Five Thousand Two Hundred and No/100 Dollars (\$1,365,200.00), or so much thereof as may be advanced hereunder, on the dates and in the amounts provided in the Loan Agreement (as defined below), and to pay interest on the unpaid principal balance thereof, at such office, until paid in full at the rate or rates per annum and on the dates provided in the Loan Agreement.

This Note is the Note referred to in the Loan Agreement dated as of the date hereof (as modified, supplemented, extended and in effect from time to time, the "Loan Agreement"), by and between the Borrower and the Lender, and evidences the Loan proceeds advanced by the Lender thereunder. The terms and conditions of the Loan Agreement are incorporated herein by reference. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayment of the Loan proceeds advanced by the Lender upon the terms and conditions specified therein.

The Borrower waives demand, presentment, protest, notice of protest, suit and all other requirements necessary to hold it liable, and the Borrower agrees that time of payment may be extended or renewal notes taken or other indulgences granted without notice of, or consent to, such action, and without release of liability. The Borrower agrees to pay after default all costs of collecting or securing or attempting to collect or secure this Note, including reasonable attorneys' fees.

The Borrower hereby waives as to this debt or any renewal or extension thereof all rights of exemption under the constitution or laws of Alabama or any other state as to personal property.

This Note has been executed by the/each Borrower without condition that anyone else should sign or become bound hereunder and without any other conditions whatever being made. The provisions hereof are binding on the successors and assigns of the Borrower, and shall inure to the benefit of the Creditor, its successors and assigns.

The Creditor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid against the Creditor unless in writing and signed by the Creditor. All rights and remedies of the Creditor hereunder and under any statute or rule of law shall be cumulative and may be exercised

successively or concurrently. This note shall be governed by and construed in accordance with the laws of the State of Alabama.

Premier Holdings of Georgia, LLC

By: 

Name: Manraj "Patrick" Sidhu

Title: Manager

Tax I.D. Number 47-2594713

5300655163

PROMISSORY NOTE

\$517,500.00

March 1, 2019

For value received, without grace, **Premier Holdings of Georgia, LLC**, a Georgia limited liability company (the "Borrower"), promises to pay to the order of **IBERIABANK**, a Louisiana state chartered bank (the "Lender") (the Lender, hereinafter, along with any other holder of this note, called the "Creditor"), at the office of the Lender, the principal sum of Five Hundred Seventeen Thousand Five Hundred and No/100 Dollars (\$517,500.00), or so much thereof as may be advanced hereunder, on the dates and in the amounts provided in the Loan Agreement (as defined below), and to pay interest on the unpaid principal balance thereof, at such office, until paid in full at the rate or rates per annum and on the dates provided in the Loan Agreement.

This Note is the Note referred to in the Loan Agreement dated as of the date hereof (as modified, supplemented, extended and in effect from time to time, the "Loan Agreement"), by and between the Borrower and the Lender, and evidences the Loan proceeds advanced by the Lender thereunder. The terms and conditions of the Loan Agreement are incorporated herein by reference. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

The Loan Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events and for prepayment of the Loan proceeds advanced by the Lender upon the terms and conditions specified therein.

The Borrower waives demand, presentment, protest, notice of protest, suit and all other requirements necessary to hold it liable, and the Borrower agrees that time of payment may be extended or renewal notes taken or other indulgences granted without notice of, or consent to, such action, and without release of liability. The Borrower agrees to pay after default all costs of collecting or securing or attempting to collect or secure this Note, including reasonable attorneys' fees.

The Borrower hereby waives as to this debt or any renewal or extension thereof all rights of exemption under the constitution or laws of Alabama or any other state as to personal property.

This Note has been executed by the/each Borrower without condition that anyone else should sign or become bound hereunder and without any other conditions whatever being made. The provisions hereof are binding on the successors and assigns of the Borrower, and shall inure to the benefit of the Creditor, its successors and assigns.

The Creditor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid against the Creditor unless in writing and signed by the Creditor. All rights and remedies of the Creditor hereunder and under any statute or rule of law shall be cumulative and may be exercised

Equipment Loan- Nahunta, GA

successively or concurrently. This note shall be governed by and construed in accordance with the laws of the State of Alabama.

Premier Holdings of Georgia, LLC

By: 

Name: Manraj "Patrick" Sidhu

Title: Manager

Tax I.D. Number 47-2594713

SECURITY AGREEMENT

This SECURITY AGREEMENT (this "Agreement"), dated as of March 1, 2019, is made by **Premier Holdings of Georgia, LLC**, a Georgia limited liability company ("Grantor"), in favor of **IBERIABANK**, a Louisiana state chartered bank, and its successors and assigns ("Secured Party").

WITNESSETH:

WHEREAS, pursuant to that certain Loan Agreement dated of even date herewith by and between the Borrower and Secured Party (as amended, modified, supplemented or restated from time to time, the "Loan Agreement"), the Secured Party has agreed to make an equipment loan to the Borrower in the original principal amount of up to \$517,500 (the "Loan"); and

WHEREAS, the obligations of the Secured Party to make the Loan under the Loan Agreement are conditioned upon, among other things, the execution and delivery by Grantor of a Security Agreement in the form hereof to secure (a) the due and punctual payment and performance by Grantor of all Obligations (as defined in the Loan Agreement) under or pursuant to the Loan Agreement and the other Loan Documents, and any renewals, modifications or extensions thereof, in whole or in part, (b) the due and punctual payment and performance by Grantor of all indebtedness, liabilities, and obligations of any and every kind and nature heretofore, now or hereafter owing, due or payable from Grantor arising under, or in connection with, Hedge Agreements and any renewals, modifications or extensions thereof, in whole or in part, (c) the due and punctual payment and performance by Grantor of all future advances and re-advances of the foregoing that may subsequently be made to Grantor by any Secured Party, evidenced by the Loan Agreement or any other Loan Document or Hedge Agreement, and (d) the due and punctual payment and performance by Grantor of all renewals, replacements, extensions or modifications of the foregoing (collectively, the "Secured Obligations"); provided, however, the term "Secured Obligations" as used herein shall not include any obligation arising under any "swap" (as such term is defined in the Commodity Exchange Act, as in effect from time to time, and the official rules and regulations promulgated thereunder (collectively, the "CEA")) to the extent that the securing of such swap obligation by Grantor would be impermissible or illegal under the CEA.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the adequacy, receipt, and sufficiency of which are hereby acknowledged, and in order to induce the Secured Party to make extensions of credit pursuant to the Loan Agreement, the parties hereto hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

(a) All terms used in this Agreement and the recitals hereto which are defined in the Loan Agreement or in the UCC as in effect in the State of Alabama and which are not otherwise defined herein shall have the same meanings herein as set forth therein; provided that terms used herein which are defined in the UCC as in effect in the State of Alabama on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute.

(b) The following terms shall have the respective meanings provided for in the UCC: "Equipment", "Fixtures", and "Proceeds".

(c) As used in this Agreement, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

“Event of Default” has the meaning ascribed to such term in the Loan Agreement.

“UCC” means the Uniform Commercial Code as in effect in the State of Alabama and/or any other jurisdiction the laws of which may be applicable to or in connection with the creation, perfection or priority of any Lien on any Collateral.

Section 1.2. Other Definitional Provisions. References to “Sections,” “subsections,” “Exhibits,” and “Schedules” shall be to Sections, subsections, Exhibits and Schedules, respectively, of this Agreement unless otherwise specifically provided. All definitions contained in this Agreement are equally applicable to the singular and plural forms of the terms defined. All references to statutes and regulations shall include any amendments of the same and any successor statutes and regulations. References to particular sections of the UCC should be read to refer also to parallel sections of the Uniform Commercial Code as enacted in each state or other jurisdiction where any portion of the Collateral is or may be located. Terms used herein, which are defined in the UCC, unless otherwise defined herein or in the Loan Agreement, shall have the meanings determined in accordance with the UCC.

ARTICLE II SECURITY INTEREST

Section 2.1. Security Interest. As collateral security for the prompt payment and performance in full when due of the Secured Obligations (whether at stated maturity, by acceleration, or otherwise), Grantor hereby pledges and assigns to Secured Party, and grants to Secured Party a continuing lien on and security interest in, all Equipment, Fixtures and furniture of Grantor, located at or which are used in connection with the property described on Schedule 3.1 and the improvements located thereon from time to time and whether now or hereafter existing and whether now owned or hereafter acquired, of every kind and description (the “Collateral”).

Notwithstanding anything to the contrary contained in this Agreement, the Secured Obligations secured under this Agreement shall not exceed an aggregate amount equal to the greatest amount that would not render Grantor’s indebtedness, liabilities or obligations under this Agreement subject to avoidance under Sections 544, 548 or 550 of the Federal Bankruptcy Code or subject to being set aside or annulled under any applicable state law relating to fraud on creditors; provided, however, that, for purposes of the immediately preceding clause, it shall be presumed that the Secured Obligations do not equal or exceed any aggregate amount which would render Grantor’s indebtedness, liabilities or obligations under this Agreement subject to being so avoided, set aside or annulled, and the burden of proof to the contrary shall be on the party asserting to the contrary. Subject to but without limiting the generality of the foregoing sentence, the provisions of this Agreement are severable and, in any legally binding action or proceeding involving any state corporate law or any bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors’ rights and general principles of equity, if the indebtedness, liabilities or obligations of Grantor hereunder would otherwise be held or determined to be void, invalid or unenforceable on account of the amount of its indebtedness, liabilities or obligations under this Agreement, then, notwithstanding any other provision of this Agreement to the contrary, the amount of such indebtedness, liabilities or obligations shall, without any further action by Grantor, Secured Party or any other Person, be automatically limited and reduced to the greatest amount which is valid and enforceable as determined in such action or proceeding.

Section 2.2. Grantor Remains Liable. Notwithstanding anything to the contrary contained herein, (a) Grantor shall remain liable under the documentation included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Secured Party of any of its rights or remedies hereunder shall not release Grantor from any of its duties or obligations under such documentation, (c) Secured Party shall not have any obligation under any of such documentation included in the Collateral by reason of this Agreement, and (d) Secured Party shall not be obligated to perform any of the obligations of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 2.3. Security Agreement Absolute. All rights of Secured Party and the security interests granted to Secured Party hereunder, and all obligations of Grantor hereunder, shall be absolute and unconditional, irrespective of any of the following conditions, occurrences or events: (a) any lack of validity or enforceability of any Loan Document other than this Agreement; (b) the failure of Secured Party to assert any claim or demand or to enforce any right or remedy against Grantor or any other Person under the provisions of any Loan Document or otherwise or to exercise any right or remedy against any other guarantor of, or collateral securing, any Secured Obligation; (c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations or any other extension, compromise or renewal of any Secured Obligation, including any increase in the Secured Obligations resulting from the extension of additional credit to Grantor or any other obligor or otherwise; (d) any reduction, limitation, impairment or termination of any Secured Obligation for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligation or otherwise; (e) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of any Loan Document; (f) any addition, exchange, release, surrender or non-perfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any of the Secured Obligations; or (g) any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, Grantor, any other Loan Party or otherwise.

ARTICLE III REPRESENTATIONS AND WARRANTIES

To induce Secured Party to enter into this Agreement and the Loan Agreement, Grantor represents and warrants as follows:

Section 3.1. Location of Collateral; Third Parties in Possession. On the date hereof, all of the Collateral (if any) is located at the places specified in Schedule 3.1. Schedule 3.1 correctly identifies all premises owned or leased by Grantor and all mortgages and all landlords and tenants of premises that Grantor leases. Except for the Persons identified on Schedule 3.1, no Person other than Grantor and Secured Party has possession of any of the Collateral, except to the extent any de minimus Collateral is temporarily in the possession of a vendor or customer of Grantor in the ordinary course of business. None of the Collateral has been located in any location within the past four (4) months other than as set forth on Schedule 3.1 for Grantor.

Section 3.2. Legal Names; Office Locations; Identification Numbers. Schedule 3.2 hereto sets forth as of the date of this Agreement (i) the exact legal name of Grantor, (ii) the state of organization of Grantor, (iii) the organizational identification number of Grantor or states that no such organizational identification number exists, (iv) the United States Federal Income Tax Identification Number of Grantor,

(v) the principal place of business and the chief executive office of Grantor, and (vi) all other places where Grantor keeps its books and records concerning the Collateral and all other locations where Grantor has a place of business. Grantor does not do business or has not done business under any trade-name or fictitious business name except as disclosed on Schedule 3.2.

Section 3.3. Title. Grantor has rights in and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder free and clear of any and all Liens. No effective security agreement, financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed in favor of Secured Party pursuant to this Agreement or the other Loan Documents. This Agreement is effective to create a valid and continuing Lien on and, upon the filing of the appropriate financing statements listed on Schedule 3.3 hereto, a perfected Lien in favor of Secured Party on the Collateral with respect to which a Lien may be perfected by filing pursuant to the UCC. Such Lien is prior to all other Liens and is enforceable as such as against any and all creditors of and purchasers from Grantor. All action by Grantor necessary or desirable to protect and perfect such Lien on each item of the Collateral has been duly taken.

Section 3.4. Certain Property. None of the Collateral constitutes, and Grantor does not own, (a) standing timber that is to be cut and removed under a conveyance or contract for sale, (b) animals, (c) farm products, crops grown, growing, or to be grown, even if the crops are produced on trees, vines or bushes, or (d) manufactured homes.

ARTICLE IV COVENANTS

Grantor covenants and agrees that, as long as the Secured Obligations or any part thereof are outstanding or any Lender has any Commitment or any amount payable under any Loan remains unpaid under the Loan Agreement, Grantor will perform and observe each of the following covenants:

Section 4.1. Collateral Generally. Grantor covenants with Secured Party as follows: (a) the Collateral will be kept at those locations listed on Schedule 3.1 and Grantor will not remove the Collateral from such locations, except as permitted by the Loan Agreement, without providing at least thirty (30) days prior written notice to Secured Party; (b) except for the security interest herein granted and liens permitted by the Loan Agreement, Grantor shall be the owner of the Collateral free from any right or claim of any other person, Lien, security interest or other encumbrance, and Grantor shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to Secured Party; (c) Grantor shall not pledge, mortgage or create, or suffer to exist any right of any person in or claim by any person to the Collateral, or any security interest, Lien or encumbrance in the Collateral in favor of any person, other than Secured Party; (d) Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon; (e) Grantor will permit Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located and will furnish to Secured Party, from time to time upon Secured Party's request, statements and schedules further identifying and describing the Collateral; (f) Grantor will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement; (g) Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances; (h) Grantor will not sell or otherwise dispose, or offer to sell or otherwise dispose, of the Collateral or any interest therein except for dispositions permitted by the Loan Agreement;

and (i) Grantor shall notify Secured Party promptly of any Collateral which constitutes a claim against the United States government or any instrumentality or agent thereof, the assignment of which is restricted by federal law, and upon the request of Secured Party, Grantor shall take such steps as may be necessary to comply with any applicable federal assignment of claims laws or other comparable laws.

Section 4.2. Company Changes. Grantor not shall change its name, identity, corporate structure, state of organization or its United States Tax Identification Number in any manner that might make any financing statement filed in connection with this Agreement seriously misleading unless Grantor shall have given Secured Party not less than thirty (30) days prior written notice thereof and shall have taken all action reasonably deemed necessary or desirable by Secured Party to protect Secured Party's Liens with the perfection and priority thereof required by the Loan Documents. Grantor shall not change its principal place of business, chief executive office, or the place where it keeps its books and records unless it shall have given Secured Party not less than thirty (30) days prior written notice thereof and shall have taken all action reasonably deemed necessary or desirable by Secured Party to cause its security interest in the Collateral to be perfected with the priority required by the Loan Documents. If Grantor does not have an organizational identification number and later obtains one, Grantor shall promptly notify Secured Party of such organizational identification number. Grantor shall hold and preserve all books and records.

Section 4.3. Insurance Proceeds. The proceeds of any casualty insurance in respect of any casualty loss of any of the Collateral shall be disbursed in accordance with the provisions set forth in the Loan Agreement.

Section 4.4. Other Actions as to Any and All Collateral. Grantor further agrees, at the request and option of Secured Party, to take any and all other actions that Secured Party may determine to be necessary or useful for the attachment, perfection and first priority of, and the ability of Secured Party to enforce, Secured Party's security interest in any and all of the Collateral, including, without limitation, (a) executing, delivering and, where appropriate, filing such other agreements, documents, instruments and financing statements and amendments and continuation statements relating thereto under the UCC, to the extent, if any, that Grantor's signature thereon is required therefor, (b) causing Secured Party's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of Secured Party to enforce, Secured Party's security interest in such Collateral, (c) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of Secured Party to enforce, Secured Party's security interest in such Collateral, (d) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (e) obtaining waivers from mortgagees and landlords in form and substance satisfactory to Secured Party, and (f) taking all actions under any earlier versions of the UCC or under any other law, as reasonably determined by Secured Party to be applicable in any relevant UCC or other jurisdiction, including any foreign jurisdiction.

With respect to the foregoing and the grant of the security interest hereunder, Grantor hereby authorizes Secured Party to authenticate and to file one or more financing or continuation statements, and amendments thereto, in each case for the purpose of perfecting, continuing, enforcing or protecting the security interest granted by Grantor, without the signature of Grantor, and naming Grantor as debtor and Secured Party as secured party. Such financing statements and amendments (a) may indicate the Collateral (i) as all assets of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC, or (ii) as being of an equal or lesser scope or with greater detail, and (b) shall provide any other information required by part 5 of

Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. A carbon, photographic, telecopied or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by any Requirement of Law. Grantor also ratifies its authorization for Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to a financing statement filed in favor of Secured Party without the prior written consent of Secured Party and agrees that it will not do so without the prior written consent of Secured Party, subject to Grantor's rights under Section 9-513(c) of the UCC.

ARTICLE V RIGHTS OF SECURED PARTY

Section 5.1. Power of Attorney. TO THE EXTENT PERMITTED BY APPLICABLE LAW, GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS SECURED PARTY AND ANY OFFICER OR AGENT THEREOF, WITH FULL POWER OF SUBSTITUTION, AS ITS TRUE AND LAWFUL ATTORNEY-IN-FACT WITH FULL IRREVOCABLE POWER AND AUTHORITY IN THE NAME OF GRANTOR OR IN ITS OWN NAME AS AGENT FOR ITSELF TO TAKE, AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF A DEFAULT, ANY AND ALL ACTIONS AND TO EXECUTE ANY AND ALL DOCUMENTS AND INSTRUMENTS WHICH SECURED PARTY AT ANY TIME AND FROM TIME TO TIME DEEMS NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT AND, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, GRANTOR HEREBY GIVES SECURED PARTY THE POWER AND RIGHT ON BEHALF OF GRANTOR AND IN ITS OWN NAME TO DO ANY OF THE FOLLOWING AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF A DEFAULT, WITHOUT NOTICE TO, OR THE CONSENT OF, GRANTOR:

(a) to demand, sue for, collect, or receive, in the name of Grantor or in Secured Party's own name, any money or property at any time payable or receivable on account of or in exchange for any of the Collateral and, in connection therewith, endorse checks, notes, drafts, acceptances, money orders, documents of title, or any other instruments for the payment of money under the Collateral or any policy of insurance;

(b) to the extent that Grantor's authorization given in Article IV is not sufficient, to file such financing statements with respect hereto, with or without Grantor's signature, or a photocopy of this Agreement in substitution for a financing statement, as Secured Party may deem appropriate and to execute in Grantor's name such financing statements and amendments thereto and continuation statements which may require Grantor's signature;

(c) to pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(d) to notify post office authorities to change the address for delivery of Grantor's mail to an address designated by Secured Party and to receive, open and dispose of mail addressed to Grantor, and

Secured Party shall make reasonable efforts to forward to Grantor that mail which is not related to the Collateral;

(e) to receive payment of and receipt for any and all monies, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral;

(f) to commence and prosecute any suit, action, or proceeding at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral;

(g) to defend any suit, action, or proceeding brought against Grantor with respect to any Collateral;

(h) to settle, compromise, or adjust any suit, action, or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate;

(i) to exchange any of the Collateral for other property upon any merger, consolidation, reorganization, recapitalization, or other readjustment of the issuer thereof and, in connection therewith, deposit any of the Collateral with any committee, depository, transfer agent, registrar, or other designated agency upon such terms as Secured Party may determine;

(j) to add or release any guarantor, indorser, surety, or other party to any of the Collateral;

(k) to renew, extend, or otherwise change the terms and conditions of any of the Collateral;

(l) to make, settle, compromise, or adjust any claims under or pertaining to any of the Collateral (including claims under any policy of insurance);

(m) to sell, transfer, pledge, convey, make any agreement with respect to, or otherwise deal with any of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for all purposes; and

(n) to do, at Secured Party's option and Grantor's expense, at any time, or from time to time, all acts and things which Secured Party deems necessary to protect, preserve, maintain, or realize upon the Collateral and Secured Party's security interest therein.

THIS POWER OF ATTORNEY IS A POWER COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH SECTION 7.11 HEREOF. This power of attorney is conferred on Secured Party solely to protect, preserve, maintain, and realize upon its security interest in the Collateral.

Section 5.2. Assignment by Secured Party. Secured Party may at any time assign or otherwise transfer all or any portion of its rights and obligations under this Agreement and the other Loan Documents (including, without limitation, the Secured Obligations) to any other Person, to the extent permitted by, and upon the conditions contained in, the Loan Agreement, and such Person shall thereupon become vested with all the benefits thereof granted to Secured Party herein or otherwise.

Section 5.3. Possession; Reasonable Care. Secured Party may, from time to time, in its sole discretion, appoint one or more agents to hold physical custody, for the account of Secured Party, of any or all of the Collateral that Secured Party has a right to possess. Secured Party shall be deemed to have

exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which Secured Party accords its own property, it being understood that Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders, or other matters relative to any Collateral, whether or not Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral.

Section 5.4. Notification to Persons Obligated on Collateral. Secured Party may, at any time following the occurrence and during the continuance of any Event of Default, whether before or after any revocation of such power and authority or the maturity of any of the Secured Obligations, notify any parties obligated on any of the Collateral to make payment to Secured Party of any amounts due or to become due thereunder and enforce collection of any of the Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby. Upon request of Secured Party after the occurrence and during the continuance of any Event of Default, Grantor will, at its own expense, notify any parties obligated on any of the Collateral to make payment to Secured Party of any amounts due or to become due thereunder.

Section 5.5. Secured Party May Perform. If Grantor fails to perform any agreement contained herein, Secured Party may itself perform, or cause performance of, such agreement, and the expenses of Secured Party incurred in connection therewith shall be payable by Grantor.

Section 5.6. Secured Party Has No Duty.

(a) In addition to, and not in limitation of, Section 2.2, the powers conferred on Secured Party hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Neither Secured Party nor any of its officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof (including the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral). Neither Secured Party nor any of its officers, directors, employees or agents shall be responsible to Grantor for any act or failure to act hereunder or any error of judgment or any mistake of fact or law, except for their own gross negligence or willful misconduct. Secured Party shall not be responsible for any decline in the value of the Collateral and shall not be required to take any steps to preserve rights against prior parties or to protect, preserve, or maintain any Lien given to secure the Collateral.

(b) Grantor assumes all responsibility and liability arising from or relating to the use, sale or other disposition of the Collateral. The Secured Obligations shall not be affected by any failure of Secured Party to take any steps to perfect the security interest granted hereunder or to collect or realize upon the Collateral, nor shall loss of or damage to the Collateral release Grantor from any of its Secured Obligations.

ARTICLE VI DEFAULT

Section 6.1. Rights and Remedies. If an Event of Default shall have occurred and be continuing, Secured Party shall have the following rights and remedies:

(a) In addition to all other rights and remedies granted to Secured Party in this Agreement or in any other Loan Document or by applicable law, Secured Party shall have all of the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Collateral). Without limiting the generality of the foregoing, Secured Party may (i) without demand or notice to Grantor or any other person, collect, receive or take possession of the Collateral or any part thereof and for that purpose Secured Party may enter upon any premises on which the Collateral is located and remove the Collateral therefrom or render it inoperable, (ii) sell, lease, or otherwise dispose of the Collateral, or any part thereof, in one or more parcels at public or private sale or sales, at Secured Party's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as Secured Party may deem commercially reasonable or otherwise as may be permitted by law, (iii) cause any or all of the Collateral held by it to be transferred into the name of Secured Party or the name or names of Secured Party's nominee or nominees, and/or (iv) collect or receive all money or property at any time payable or receivable on account of or in exchange for any of the Collateral, but shall be under no obligation to do so.

(b) Secured Party may exercise any and all rights and remedies of Grantor under or in respect of the Collateral, including, without limitation, any and all rights of Grantor to demand or otherwise require payment of any amount under, or performance of any provision of, any of the Collateral and any and all voting rights and corporate powers in respect of the Collateral. Grantor shall execute and deliver (or cause to be executed and delivered) to Secured Party all such proxies and other instruments as Secured Party may reasonably request for the purpose of enabling Secured Party to exercise the voting and other rights which it is entitled to exercise pursuant to this clause (b) and to receive the dividends, interest, and other distributions which it is entitled to receive hereunder.

(c) Secured Party shall have the right at any public sale or sales, and, to the extent permitted by applicable law, at any private sale or sales, to bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) and become a purchaser of the Collateral or any part thereof free of any right or equity of redemption on the part of Grantor, which right or equity of redemption is hereby expressly waived and released by Grantor. Upon the request of Secured Party, Grantor shall assemble the Collateral and make it available to Secured Party at any place designated by Secured Party. Grantor agrees that Secured Party shall not be obligated to give more than ten (10) days prior written notice of the time and place of any public sale or of the time after which any private sale may take place and that such notice shall constitute reasonable notice of such matters. Secured Party shall not be obligated to make any sale of Collateral if it shall determine not to do so, regardless of the fact that notice of sale of Collateral may have been given. Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. Grantor shall be liable for all reasonable expenses of retaking, holding, preparing for sale, or the like, and all reasonable attorneys' fees, legal expenses, and other costs and expenses incurred by Secured Party in connection with the collection of the Secured Obligations and the enforcement of Secured Party's rights under this Agreement. Grantor shall remain liable for any deficiency if the Proceeds of any sale or other disposition of the Collateral applied to the Secured Obligations are insufficient to pay the Secured Obligations in full. Secured Party may apply the Collateral against the Secured Obligations as provided in the Loan Agreement. Grantor waives all rights of marshaling, valuation, and appraisal in respect of the Collateral. Any cash held by Secured Party as Collateral and all cash proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of Secured Party, be held by Secured Party as collateral for, and then or at any time thereafter applied in whole or in part by Secured Party against, the Secured Obligations in the order permitted by the Loan Agreement. Any surplus of such cash or cash proceeds and interest accrued thereon, if any, held by Secured Party and remaining after payment in full

of all the Secured Obligations shall be promptly paid over to Grantor or to whomsoever may be lawfully entitled to receive such surplus; provided that Secured Party shall have no obligation to invest or otherwise pay interest on any amounts held by it in connection with or pursuant to this Agreement.

(d) On any sale of the Collateral, Secured Party is hereby authorized to comply with any limitation or restriction with which compliance is necessary, in the opinion of Secured Party's counsel, in order to avoid any violation of applicable law or in order to obtain any required approval of the purchaser or purchasers by any applicable governmental authority.

(e) Upon written notice by Secured Party to Grantor, all Proceeds of Collateral received by Grantor shall be delivered in kind to Secured Party, and Grantor shall not commingle any such proceeds, and shall hold separate and apart from all other property, all such Proceeds in express trust for the benefit of Secured Party until delivery thereof is made to Secured Party. Secured Party will not give the notice referred to in the preceding sentence unless there shall have occurred and be continuing any Event of Default. Secured Party shall have the right to apply any Proceeds to the payment of any Secured Obligations which are due and payable or payable upon demand, or to the payment of any Secured Obligations at any time that any Event of Default shall exist.

Section 6.2. Standards for Exercising Rights and Remedies. To the extent that applicable law imposes duties on Secured Party to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable for Secured Party (a) to fail to incur expenses reasonably deemed significant by Secured Party to prepare Collateral for disposition or otherwise to fail to complete raw material or work in process into finished goods or other finished products for disposition, (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other persons, whether or not in the same business as Grantor, for expressions of interest in acquiring all or any portion of the Collateral, (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the collateral is of a specialized nature, (h) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, (k) to purchase insurance or credit enhancements to insure Secured Party against risks of loss, collection or disposition of Collateral or to provide to Secured Party a guaranteed return from the collection or disposition of Collateral, or (l) to the extent deemed appropriate by Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist Secured Party in the collection or disposition of any of the Collateral. Grantor acknowledges that the purpose of this Section 6.2 is to provide non-exhaustive indications of what actions or omissions by Secured Party would fulfill Secured Party's duties under the UCC or other law of the State of Alabama or any other relevant jurisdiction in Secured Party's exercise of remedies against the Collateral and that other actions or omissions by Secured Party shall not be deemed to fail to fulfill such duties solely on account of not being indicated in this Section 6.2. Without limitation upon the foregoing, nothing contained in this Section 6.2 shall be construed to grant any rights to Grantor or to impose any duties on Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 6.2.

Section 6.3. Waivers. Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the

Secured Obligations and the Collateral, Grantor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as Secured Party may deem advisable. Secured Party shall have no duty as to the collection or protection of the Collateral or any income therefrom, the preservation of rights against prior parties, or the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in Section 5.3. Grantor further waives any and all other suretyship defenses. Grantor hereby waives any right, to the extent permitted by applicable Requirement of Law, to receive prior notice of or a judicial or other hearing with respect to any action or prejudgment remedy or proceeding by Secured Party to take possession, exercise control over or dispose of any item of Collateral where such action is permitted under the terms of this Agreement or any other Loan Document or by applicable Requirement of Law or the time, place or terms of sale in connection with the exercise of Secured Party's rights hereunder. Grantor waives, to the extent permitted by applicable Requirement of Law, any bonds, security or sureties required by Secured Party with respect to any of the Collateral. Grantor also waives any damages (direct, consequential or otherwise) occasioned by the enforcement of Secured Party's rights under this Agreement or any other Loan Document, including, the taking of possession of any Collateral, all to the extent that such waiver is permitted by applicable Requirement of Law. Grantor also consents that Secured Party, in connection with the enforcement of Secured Party's rights and remedies under this Agreement, may enter upon any premises owned by or leased to it without obligations to pay rent or for use and occupancy, through self-help, without judicial process and without having first obtained an order of any court. These waivers and all other waivers provided for in this Agreement and the other Loan Documents have been negotiated by the parties and Grantor acknowledges that it has been represented by counsel of its own choice and has consulted such counsel with respect to its rights hereunder.

ARTICLE VII MISCELLANEOUS

Section 7.1. No Waiver; Cumulative Remedies. No failure on the part of Secured Party to exercise and no delay in exercising, and no course of dealing with respect to, any right, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies provided for in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

Section 7.2. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Grantor and Secured Party and their respective successors and assigns, except that Grantor may not assign any of its rights or obligations under this Agreement without the prior written consent of Secured Party. Secured Party and each Lender may at any time assign or otherwise transfer all or any portion of their rights and obligations under this Security Agreement and the other Loan Documents (including, without limitation, the Secured Obligations) to any other Person, to the extent permitted by, and upon the conditions contained in, the Loan Agreement, and such Person shall thereupon become vested with all the benefits thereof granted to Secured Party herein or otherwise

Section 7.3. Amendment; Entire Agreement. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY

EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO. THE PROVISIONS OF THIS AGREEMENT MAY BE AMENDED OR WAIVED ONLY BY AN INSTRUMENT IN WRITING SIGNED BY THE PARTIES HERETO.

Section 7.4. Notices. All notices and other communications provided for in this Agreement shall be given or made in accordance with the Loan Agreement.

Section 7.5. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ALABAMA AND APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Section 7.6. Headings. The headings, captions, and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

Section 7.7. Survival of Representations and Warranties. All representations and warranties made in this Agreement or in any certificate delivered pursuant hereto shall survive the execution and delivery of this Agreement, and no investigation by Secured Party shall affect the representations and warranties or the right of Secured Party to rely upon them.

Section 7.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Section 7.9. Waiver of Bond. In the event Secured Party seeks to take possession of any or all of the Collateral by judicial process, Grantor hereby irrevocably waives any bonds and any surety or security relating thereto that may be required by applicable law as an incident to such possession, and waives any demand for possession prior to the commencement of any such suit or action.

Section 7.10. Severability. Any provision of this Agreement which is determined by a court of competent jurisdiction to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 7.11. Termination. If all of the Secured Obligations shall have been paid and performed in full and the Commitment of Secured Party under the Loan Agreement shall have expired or terminated, Secured Party shall, upon the written request of Grantor, execute and deliver to Grantor a proper instrument or instruments acknowledging the release and termination of the security interests created by this Agreement, and shall duly assign and deliver to Grantor, as applicable, (without recourse and without any representation or warranty, except that Secured Party has not previously assigned or transferred such Collateral) such of the Collateral as may be in the possession of Secured Party and has not previously been sold or otherwise applied pursuant to this Agreement. Notwithstanding anything to the contrary contained in this Agreement, if the payment of any amount of the Secured Obligations is rescinded, voided or must otherwise be refunded by Secured Party or any Lender upon the insolvency, bankruptcy or reorganization of Grantor or any other Loan Party or otherwise for any reason whatsoever, then the security interests created by this Agreement will be automatically reinstated and become automatically effective and in full force and effect, all to the extent that and as though such payment so

rescinded, voided or otherwise refunded had never been made and such release and termination of such security interest had never been given.

(Signatures commence on the following page.)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

GRANTOR:

Premier Holdings of Georgia, LLC

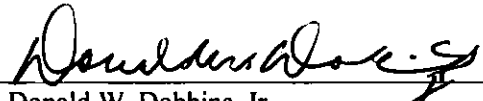
By: 

Name: Manraj "Patrick" Sidhu

Title: Manager

SECURED PARTY:

IBERIABANK

By: 

Name: Donald W. Dobbins, Jr.

Title: Senior Vice President

Schedule 3.1

Location of Collateral; Third Parties in Possession

Parties in Possession: Premier Kings of Georgia, Inc.

Location: Nahunta, Georgia

Schedule 3.2

Legal Names; Office Locations; Identification Numbers

Legal Name: Premier Holdings of Georgia, LLC

State of Organization: Georgia

United States Federal Income Tax Identification Number: 47-2594713

Principal place of business: 3300 Eastern Blvd., Montgomery, Alabama 36116

Location of Books and Records: 3300 Eastern Blvd., Montgomery, Alabama 36116

Schedule 3.3

UCC Financing Statement Filing Offices

In the Central Filing Records of the Clerk of Brantley County, Georgia

State of Georgia Brantley County	Clerks Office Superior Court
I certify that the within instrument of writing was filed for record at <u>3</u> O'Clock <u>P</u> M this <u>7</u> day of <u>March</u> 20 <u>19</u>	
and duly recorded in book <u>682</u> of <u>Record</u> folio <u>267-288</u> the <u>7</u> day of <u>March</u> 20 <u>19</u>	
Clerk Superior Court, Brantley Co., GA	

GA INTANGIBLE TAX PD
\$ 4,096.50
3-8-19
Shen D. Webb
BRANTLEY COUNTY

AFTER RECORDING, RETURN TO:

James L. Webb
Bradley Arant Boult Cummings LLP
1819 Fifth Avenue North
Birmingham, Alabama 35203

After recording return to:
Calloway Title & Escrow, LLC

David W. Dudley 2-36736
4170 Ashford Dunwoody Rd, Ste. 525
Atlanta, Georgia 30319

**DEED TO SECURE DEBT, SECURITY AGREEMENT AND
ASSIGNMENT OF RENTS AND LEASES**

by

PREMIER HOLDINGS OF GEORGIA, LLC,
a Georgia limited liability company,
as Grantor

to and in favor of

IBERIABANK
a Louisiana state chartered bank,
as Grantee

Dated: As of March 1, 2019

Location: Nahunta, Georgia

County: Brantley County

NOTE TO CLERK: THE NOTE SECURED HEREBY MATURES ON MARCH 1, 2026.

A POWER OF SALE HAS BEEN GRANTED IN THIS SECURITY DEED, PURSUANT TO WHICH GRANTEE MAY TAKE THE PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A JUDICIAL FORECLOSURE ACTION UPON DEFAULT BY GRANTOR UNDER THIS SECURITY DEED.

THIS SECURITY DEED IS A CONSTRUCTION MORTGAGE WITHIN THE MEANING OF SECTION 334(h) OF ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE AND SECURES AN OBLIGATION INCURRED FOR THE CONSTRUCTION OF AN IMPROVEMENT UPON LAND.

**DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES**

THIS DEED TO SECURE DEBT, SECURITY AGREEMENT, AND ASSIGNMENT OF RENTS AND LEASES (this "*Security Deed*") is made and entered into as of the 1st day of March, 2019, by **PREMIER HOLDINGS OF GEORGIA, LLC**, a Georgia Limited Liability Company, whose address is 3300 Eastern Blvd., Montgomery, Alabama 36116 (the "*Grantor*"), in favor of **IBERIABANK**, a Louisiana state chartered bank, whose address is 2340 Woodcrest Place, Birmingham, Alabama 35209, Attention: Donnie Dobbins, and its respective successors and assigns (the "*Grantee*").

Recitals

A. The Grantor is, or hereafter shall be, justly indebted to the Grantee in the principal sum not to exceed \$1,365,200, as evidenced by that certain Promissory Note dated as of the date hereof, which shall mature eighty-four (84) months after the date hereof, and are made payable by the Grantor to the order of the Grantee in the aggregate principal amount of the Loan (as the same may be modified, amended, supplemented, renewed and/or restated from time to time, being hereafter referred to collectively as the "*Note*").

B. The Note is secured by, inter alia, this Security Deed and the terms, covenants and conditions of the Note are hereby incorporated herein and made a part hereof.

C. To secure the Note, and to induce the Grantee to extend credit to the Grantor on the strength of the security provided by this Security Deed and convey the property described herein to the Grantee as hereinafter set forth, the Grantor has agreed to execute and deliver this Security Deed to the Grantee.

Agreement

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) cash in hand, the premises, other good and valuable consideration and to secure the payment of the following (hereinafter collectively referred to as the "*Debt*"):

(1) the payment of the debt evidenced by the Note, and interest thereon and any and every extension, renewal and modification thereof, or of any part thereof, and all interest on all such extensions, renewals and modifications;

(2) all liabilities, obligations, indebtedness, covenants and duties now or hereafter owing by the Grantor to the Grantee under any of the Loan Documents (including without limitation any

Hedge Agreement), whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including without limitation, all interest and fees that accrue after the commencement of any bankruptcy or insolvency proceeding, regardless of whether such interest or fees are allowed claims in such proceeding;

(3) all other indebtedness, obligations and liabilities of the Grantor to the Grantee of every kind and description whatsoever arising directly between the Grantor and the Grantee or acquired outright, as a participation or as collateral security from another by the Grantee, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, contracted or arising, joint or several, liquidated or unliquidated, regardless of how they arise 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, member of a partnership, syndicate, joint venture, association or other group, or otherwise, and any and all extensions, renewals and modifications of any of the same;

(4) the compliance with all of the stipulations, covenants, agreements, representations, warranties and conditions contained in this Security Deed;

the Grantor does hereby irrevocably and unconditionally grant, bargain, sell, convey, transfer and assign unto the Grantee, its successors and assigns, with power of sale and right of entry and possession, the property and interests in property described in the following Granting Clauses A through J, both inclusive, and does grant to the Grantee a security interest in all of Grantor's estate, right, claim and interest in and to said property and interests in property:

A. The real estate described on Exhibit A attached hereto and made a part hereof (the "*Real Estate*") and all improvements, structures, buildings and fixtures now or hereafter situated thereon (the "*Improvements*").

B. all (i) streets, roads, alleys, permits, easements, licenses, rights-of-way, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Real Estate or the Improvements; (ii) strips or gores between the Real Estate and abutting or adjacent properties; (iii) options to purchase the Real Estate or the Improvements or any portion thereof or interest herein, and any greater estate in the Real Estate or Improvements; (iv) water, water rights (whether riparian, appropriative or otherwise and whether or not appurtenant) and water stock, timber, crops and mineral interests on or pertaining to the Real Estate; (v) development rights and credits and air rights and (vi) other contracts, privileges, immunities, tenements and hereditaments now or hereafter pertaining to or affecting the Real Estate or the Improvements.

C. (i) All leases, written or oral, and all usufructs and agreements for use or occupancy of any portion of the Real Estate or the Improvements with respect to which the Grantor is the lessor, any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Real Estate or the Improvements (all such leases, subleases, usufructs, agreements and tenancies heretofore mentioned being hereinafter collectively referred to as the "*Leases*");

(ii) any and all guaranties of the lessee's and any sublessee's performance under any of the Leases;

(iii) the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which the Grantor may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand

or claim, arising or issuing from or out of the Leases or from or out of the Real Estate or any of the Improvements, or any part thereof, including, but not limited to, minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, all security deposits, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenantability caused by destruction or damage to the Real Estate or the Improvements, together with any and all rights and claims of any kind that the Grantor may have against any such lessee under the Leases or against any subtenants or occupants of the Real Estate or any of the Improvements, all such moneys, rights and claims in this paragraph described being hereinafter referred to as the "**Rents**"; provided, however, so long as no Event of Default has occurred, the Grantor shall have the right under a license granted hereby to collect, receive and retain the Rents (but not prior to accrual thereof); and

(iv) any award, dividend or other payment made hereafter to the Grantor in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. The Grantor hereby appoints the Grantee as the Grantor's irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend or other payment subject to the terms and conditions of the Loan Agreement.

D. All building and construction materials and supplies, inventory, equipment, fixtures, systems, machinery, furniture, furnishings, goods, tools, apparatus and fittings of every kind or character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by the Grantor for the purpose of, or used or useful in connection with, the complete and proper planning, development, use, occupancy or operation of the Real Estate and Improvements, or acquired (whether delivered to the Real Estate or elsewhere) for use or installation in or on the Real Estate or the Improvements, wherever the same may be located, which are now or hereafter attached to or situated in, on or about the Real Estate and the Improvements, including, without limitation, all lumber and lumber products, bricks, stones, building blocks, sand, cement, roofing materials, paint, doors, windows, hardware, nails, wires, wiring, engines, boilers, furnaces, tanks, motors, generators, switchboards, elevators, escalators, plumbing, plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, stoves, refrigerators, dishwashers, hot water heaters, garbage disposers, trash compactors, other appliances, carpets, rugs, window treatments, lighting, fixtures, pipes, piping, decorative fixtures, and all other building and construction materials and supplies, equipment and fixtures of every kind and character used or useful in connection with the Improvements, and all renewals and replacements of, substitutions for and additions to any of the foregoing.

E. All (i) plans and specifications for the Improvements, (ii) the Grantor's rights, but not liability for any breach by the Grantor, under all commitments (including any commitments for financing to pay any of the Debt), insurance policies (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), interest rate protection agreements, contracts and agreements for the design, construction, renovation, operation or inspection of the Improvements and other contracts and general intangibles (including payment intangibles and any trademarks, trade names, goodwill, software and symbols) related to the Real Estate or the Improvements or Personal Property (hereafter defined) or the operation thereof, (iii) deposits and deposit accounts arising from or relating to any transactions related to the Real Estate or the Improvements or Personal Property (including the Grantor's right in tenants' security deposits, deposits with respect to utility services to the Real Estate, and any deposits, deposit accounts or reserves hereunder or under any other Loan Document (as defined in the Loan Agreement) for taxes, insurance or otherwise), (iv) rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts (whether tangible or

electronic) arising from or by virtue of any transactions related to the Real Estate or Improvements, (v) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges obtained in connection with the Real Estate and Improvements, (vi) as-extracted collateral produced from or allocated to the Real Estate, including oil, gas and other hydrocarbons and other minerals and all products processed or obtained therefrom and the proceeds thereof, and (vii) engineering, accounting, title, legal and other technical or business data concerning the Real Estate and Improvements, including software, which are in the possession of the Grantor or in which the Grantor can otherwise grant a security interest.

F. All (i) accounts and proceeds (whether cash or non-cash and including payment intangibles), of or arising from the properties, rights, titles and interests referred to hereinabove, including the proceeds of any sale, lease or other disposition thereof, proceeds of each policy of insurance, present and future (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), payable because of a loss sustained to all or part of the Real Estate or Improvements (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto, including change of grade of streets, curb cuts or other rights of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi-public use under any law, proceeds arising out of any damage thereto, including any and all commercial tort claims, (ii) letter-of-credit rights (whether or not the letter of credit is evidenced by writing) the Grantor now has or hereafter acquires relating to the properties, rights, title and interests referred to herein, (iii) commercial tort claims the Grantor now has or hereafter acquires relating to the properties, rights, title and interests referred to herein, and (iv) other interests of every kind and character which the Grantor now has or hereafter acquires in, or for the benefit of the properties, rights, titles and interests referred to hereinabove and all property used or useful in connection therewith, including rights of ingress and egress and remainders, reversions and reversionary rights or interests

G. Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Grantee, or in which the Grantee is granted a security interest, as and for additional security hereunder by the Grantor, or by anyone on behalf of, or with the written consent of, the Grantor.

H. Any and all intangible rights, interests and properties of Grantor relating to the Real Estate or Improvements or any part thereof, and necessary or desirable for the continued ownership, use, operation, leasing or management thereof, whether now or hereafter existing, including any trademarks, servicemarks, logos or trade names relating to the Real Estate or Improvements or by which the Real Estate or Improvements or any part thereof may be known and any other franchises or other agreements relating to services in connection with the use, occupancy, or maintenance of the Real Estate or Improvements, instruments, actions or rights in action and all intangible property and rights relating to the Real Estate or Improvements.

I. Any and all accounts receivable, insurance policies, contract rights, interests, rights under all oil, gas and mineral leases and agreements and all benefits arising therefrom, and all other claims, both at law and in equity, relating to the Real Estate or Improvements, which Grantor now has or may hereafter acquire.

J. Any and all estate, interest, right, title and other claim or demand which Grantor now has or may hereafter acquire in any and all awards or payments relating to the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Real Estate or Improvements, including all awards resulting from a change of grade of any street and awards for severance damages, together, in all cases, with all interest thereon.

K. Any and all proceeds of, and any unearned premiums on, insurance policies covering all or any part of the Real Estate or Improvements, including the right to receive and apply the proceeds of all insurance or judgments related to the Real Estate or Improvements, or settlements made in lieu thereof.

L. Any and all estate, interest, right, title and other claim or demand which Grantor now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Real Estate or Improvements, including damage arising or resulting from any defect in or with respect to the design or construction of all or any part of the Improvements.

M. All proceeds and products of, additions and accretions to, substitutions and replacements for, and changes in any of the property referred to in Granting Clauses A through L hereinabove.

(All of the property and interests in property described in the foregoing Granting Clauses A through M, both inclusive, are herein sometimes collectively called the "**Property**." The personal property described in Granting Clause D through M and all other personal property covered by this Security Deed are herein sometimes collectively called the "**Personal Property**.")

SUBJECT, HOWEVER, to the easements, rights-of-way and other exceptions described on Exhibit B hereto ("**Permitted Exceptions**"). This Security Deed is a deed and security agreement passing legal title pursuant to the laws of the State of Georgia governing loan or security deeds and security agreements and is not a mortgage.

TO HAVE AND TO HOLD the Property to the use, benefit and behoof of the Grantee, its successors and assigns, IN FEE SIMPLE FOREVER.

1. Future Advances. This Security Deed secures future advances, and the \$1,365,200 debt evidenced by the Note is to be advanced by the Grantee, as Lender, to the Grantor in accordance with the terms of a Loan Agreement of even date herewith, entered into by and between the Grantor and the Grantee, as Lender (as may be amended or restated from time to time, the "**Loan Agreement**"). Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Loan Agreement.

2. Warranties of Title. The Grantor covenants with the Grantee that the Grantor is lawfully seized in fee simple of the Real Estate and is the lawful owner of, and has good title to, the Personal Property, Improvements and other Property subject to the Permitted Exceptions and has a good right to sell and convey the Property as aforesaid; that the Property is free of all encumbrances subject to the Permitted Exceptions, unless otherwise provided hereinbefore; and that the Grantor will warrant and forever defend the title to the Property unto the Grantee against the lawful claims of all persons subject to the Permitted Exceptions.

3. Maintenance of Lien Priority. The Grantor shall take all steps necessary to preserve and protect the validity and priority of the liens on, security interests in, and assignment of, the Property created hereby. The Grantor shall execute, acknowledge and deliver such additional instruments as the Grantee may deem necessary in order to preserve, protect, continue, extend or maintain the liens, security interests and assignments created hereby as first liens on, security interests in, and assignments of, the Property, except as otherwise permitted under the terms of this Security Deed. All costs and expenses incurred in connection with the protection, preservation, continuation, extension or maintaining of the liens, security interests and assignments hereby created shall be paid by the Grantor.

4. Representations and Warranties Related to Rents and Leases.

(a) The Grantor has good title to the Rents and Leases hereby assigned and good right to assign the same, and no other person, corporation or entity has any right, title or interest therein.

(b) The Grantor has duly and punctually performed all and singular the terms, covenants, conditions and warranties of the Leases on the Grantor's part to be kept, observed and performed.

(c) The Grantor has not previously sold, assigned, transferred, mortgaged or pledged the Leases or the Rents, whether now due or hereafter to become due.

(d) No payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised, except as otherwise identified to Grantee in writing.

(e) To the best of the Grantor's knowledge, the lessees under the Leases are not in default under any of the terms thereof.

(f) No Rents due for any period subsequent to the month next succeeding the date of this security deed have been collected, and no payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised.

(g) The Grantor has not received any funds or deposits from any lessee in excess of one month's rent for which credit has not already been made on account of accrued rents.

5. Covenants To Pay Liens and Maintain Insurance. For the purpose of further securing the payment of the Debt, the Grantor agrees to: (a) pay all taxes, assessments, and other liens taking priority over this Security Deed (hereinafter jointly called "*Liens*"), and if default is made in the payment of the Liens, or any part thereof (subject to Grantor's rights to contest any such liens pursuant to the terms of the Loan Agreement), the Grantee, at its option, may pay the same; (b) keep the Property continuously insured, in such manner and with such companies as set forth under the Loan Documents, against loss by flood (if the Property is located in a flood-prone area), fire, windstorm, vandalism and malicious mischief and other perils, as more particularly set forth and required in the Loan Agreement. If requested by the Grantee, to further secure the payment of taxes, assessments, other charges and expenses, and premiums on the insurance required herein, the Grantor shall deposit with the Grantee on the day monthly installments of principal or interest, or both, are due under the Note (or on another day designated in writing by the Grantee), until the Debt is paid in full, an additional amount sufficient to accumulate with the Grantee the entire sum required to pay, when due, (a) all taxes and assessments against the Property, (b) the premiums for all insurance required herein and in the Loan Agreement, and (c) amounts for other charges and expenses which the Grantee at any time reasonably deems necessary to protect the Property, to prevent the imposition of liens on the Property or otherwise to protect the Grantee's interests, all as reasonably estimated from time to time by the Grantee. If said deposits are required by the Grantee hereunder, the deposits shall be held by the Grantee free of any liens or claims on the part of creditors of the Grantor and as part of the security of the Grantee, and shall be used by the Grantee to pay taxes, assessments, insurance premiums and any other charges and expenses contemplated herein, on or related to the Property as the same accrue and are payable. The Grantor hereby agrees to execute any additional documents that may be deemed necessary by the Grantee at any time to more fully describe the monthly escrows contemplated herein.

6. Assignment of Insurance Policies, etc. The Grantor hereby assigns and pledges to the Grantee, as further security for the payment of the Debt, each and every policy of hazard insurance now or hereafter in effect which insures the Property, or any part thereof (including without limitation the

Personal Property and Improvements, or any part thereof), together with all right, title and interest of the Grantor in and to each and every such policy, including, but not limited to, all the Grantor's right, title and interest in and to any premiums paid on each such policy, including all rights to return premiums. If the Grantor fails to keep the Property insured as specified in the Loan Agreement then, at the election of the Grantee and without additional notice to any person, the Grantee may, but shall not be obligated to, insure the Property for its full insurable value (or for such lesser amount as the Grantee may wish) against such risks of loss and for the benefit of the Grantee. The proceeds from such insurance shall be applied pursuant to the terms of the Loan Agreement. All amounts spent by the Grantee for insurance or for the payment of Liens or for environmental testing or remediation permitted under the Loan Documents shall become a debt due by the Grantor to the Grantee and at once payable, without demand upon, or notice to, the Grantor, and shall be secured by this Security Deed, and shall bear interest at the rate of interest set forth in the Loan Agreement, or such lesser rate of interest as shall then be the maximum amount permitted by applicable law, from the date of payment by the Grantee until paid by the Grantor.

7. Assignment of Condemnation Proceeds, etc. As further security for the Debt and the full and complete performance of each and every obligation, covenant, agreement and duty of the Grantor contained herein, and to the extent of the full amount of the Debt secured hereby and of the costs and expenses (including reasonable attorney's fees) incurred by the Grantee in the collection of any award or payment, the Grantor hereby assigns to the Grantee any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Grantor with respect to the Property as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade or of any street or (c) any other injury to or decrease in value of the Property. All such damages, condemnation proceeds and consideration shall be applied pursuant to the terms of the Loan Agreement.

8. Covenant Against Waste. The Grantor agrees to take good care of the Real Estate and all Improvements and Personal Property and not to commit or permit any waste thereon, and at all times to maintain such Improvements and Personal Property in as good condition as they now are, reasonable wear and tear excepted.

9. Hazardous Substances.

(a) Except for the hazardous materials and substances and the use thereof required to construct and to operate and maintain the Improvements (which materials and substances must be used, stored and disposed of in accordance with all Applicable Law), the Grantor shall not make, store, use, treat, release or dispose of any hazardous substances, pollutants or other contaminants ("**Prohibited Substances**") on or under the Real Estate. If any such Prohibited Substances are nonetheless made, stored, used, treated, released, disposed of or found to exist on or under the Real Estate, the Grantor shall give prompt written notice to the Grantee of such occurrence or existence. If the Grantor fails to keep the Real Estate or Improvements free of such Prohibited Substances, the Grantee may, but shall not be obligated to, do or cause to be done such acts as are necessary or desirable in the Grantee's opinion to remove and dispose of such Prohibited Substances. All amounts spent by the Grantee for the removal and disposal of such Prohibited Substances and the return of the Real Estate and Improvements to a condition free of Prohibited Substances shall become a debt due by the Grantor to the Grantee and at once payable, without demand or notice, and shall become a part of the Debt secured by this Security Deed, to bear interest as provided in the Note from the date of payment by the Grantee until paid by the Grantor.

(b) The Grantor hereby warrants that (i) there are no civil, criminal or administrative environmental proceedings involving the Real Estate that are pending or to the Grantor's knowledge threatened; (ii) the Grantor knows of no facts or circumstances that might give rise to such a proceeding in the future; (iii) the Real Estate is in compliance with all applicable federal, state and local statutory and regulatory environmental requirements; and (iv) the Real Estate is free from any and all "hazardous

substances," "pollutants" and other "contaminants," as those terms are defined in the federal Comprehensive Environmental Response, Compensation, and Liability Act ("**CERCLA**") and rules and regulations thereunder. The Grantor shall give immediate written notice to the Grantee of any actual or threatened "release" (as defined in CERCLA and rules and regulations thereunder) of such substances on or from the Real Estate or any portion thereof at any time during or preceding the Grantor's ownership of the Real Estate. The Grantor shall indemnify and hold the Grantee harmless from and against all loss, damages, fines, penalties, liability and expenses (including, but not limited to, attorneys' fees and costs of investigation and litigation) caused by or in any manner resulting from such substances on or under the Real Estate or any portion thereof at any time during or preceding the Grantor's ownership of the Property. The indemnity provisions of this Section shall survive the satisfaction of this Security Deed and shall continue in full force and effect notwithstanding the payment of the Debt in full.

10. Covenants Related to Rents and Leases. The Grantor covenants and agrees that the Grantor shall:

(a) observe, perform and discharge in all material respects all obligations, covenants and warranties provided for under the terms of the Leases to be kept, observed and performed by the Grantor, and shall give prompt notice to the Grantee in the event the Grantor fails to observe, perform and discharge the same;

(b) enforce or secure in the name of the Grantee the performance in all material respects of each and every obligation, term, covenant, condition and agreement to be performed by any lessee under the terms of the Leases;

(c) appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with the Leases or the obligations, duties or liabilities of the Grantor and any lessee thereunder, and, upon request by the Grantee to do so in the name and on behalf of the Grantee but at the expense of the Grantor, and to pay all costs and expenses of the Grantee, including reasonable attorneys' fees, in any action or proceeding in which the Grantee may appear;

(d) not receive or collect any Rents from any present or future lessee of the Real Estate or any of the Improvements, or any part thereof, for a period of more than one month in advance, or pledge, transfer, mortgage or otherwise encumber or assign future payments of the Rents;

(e) not waive, excuse, condone, discount, set off, compromise, or in any manner release or discharge any lessee of the Real Estate or any of the Improvements of and from any material obligations, covenants, conditions and agreements by said lessee to be kept, observed and performed, including the obligation to pay rent in the manner and at the place and time specified in any Lease;

(f) not materially modify or alter the terms of the standard tenant lease without, in each such instance, the prior written notice of the Grantee;

(g) not cancel, terminate or consent to any surrender of any Lease, or modify or in any way alter the terms thereof without, in each such instance, the prior written consent of the Grantee;

(h) not renew or otherwise extend the term of any existing Lease; provided, however, that nothing herein contained shall prevent the Grantor, upon expiration of the now-current term (or other expiration or termination) of any existing Lease, from leasing the property covered thereby to the lessee thereunder by a lease or leases expressly subject and fully subordinate to the lien, assignment and security interest of this security deed;

(i) promptly upon the execution by the Grantor of any future Lease, (i) furnish the Grantee with the name and address of the lessee thereunder, the term of such Lease and a description of the premises covered thereby and, upon request of the Grantee, a copy of such Lease, and (ii) execute all such further assignments of such Lease and the Rents therefrom as the Grantee may require;

(j) lease the Property only under arms length leases for a rental rate which, in the Grantor's best judgment, represents a fair market rental rate;

(k) promptly upon the request of the Grantee, furnish the Grantee with a current rent roll for the Property; and

(l) promptly upon the execution of Grantor of any future Lease note pertaining to the leasing of an apartment by a resident, (i) furnish the Grantee with the name and address of the lessee thereunder, the term of such Lease and a description of the premises covered thereby and, upon request of the Grantee, a copy of such Lease, and (ii) execute all such further assignments of such Lease and the Rents therefrom as the Grantee may require.

11. Covenant Against Sale, Lease or Transfer, etc. Notwithstanding any other provision of this Security Deed or the Note, but subject to the terms and conditions set forth in the Loan Agreement, if the Real Estate or the Improvements, or any part thereof, or any interest therein, is sold, leased, conveyed or transferred, without the Grantee's prior written consent, or if the Real Estate or the Improvements, or any part thereof, or any interest therein, becomes subject to any additional lien, deed to secure debt, mortgage or other encumbrance, either voluntarily or involuntarily, without the Grantee's prior written consent, the Grantee, may, at its sole option: (a) declare the Debt immediately due and payable in full; or (b) require the payment, after the date of such sale, lease, conveyance or transfer, of a higher rate of interest on the unpaid principal portion of the Debt as a condition to not exercising such option to accelerate the Debt, whether such rights be exercised by the Grantee to obtain a higher rate of interest on the Debt or to protect the security of this Security Deed.

12. Security Agreement. This Security Deed shall constitute a security agreement under Article 9 of the Uniform Commercial Code in effect in the State of Georgia (the "*State UCC*") with respect to the Personal Property covered by this Security Deed. Pursuant to the applicable Granting Clauses hereof, Grantor has granted Grantee a security interest in the Personal Property and in all additions and accessions thereto, substitutions therefor and proceeds thereof for the purpose of securing all Debt now or hereafter secured by this Security Deed. The following provisions relate to such security interest:

(a) The Personal Property includes all now existing or hereafter acquired or arising equipment, inventory, accounts, chattel paper, instruments, documents, deposit accounts, investment property, letter-of-credit rights, commercial tort claims, supporting obligations and general intangibles now or hereafter used or procured for use on the Property or otherwise relating to the Property. If Grantor shall at any time acquire a commercial tort claim relating to the Property, Grantor shall immediately notify Grantee in a writing signed by Grantor of the brief details thereof and grant to Grantee a security interest therein and in the proceeds thereof.

(b) Grantor hereby irrevocably authorizes Grantee at any time and from time to time to file in any filing office in any State UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the collateral as "all assets used or procured for use or otherwise relating to" the Property or words of similar effect, or as being of equal or lesser scope or in greater detail, and to indicate the Property as defined, or in a manner consistent with the term as defined, in this Security Deed and (b) contain any other information required by part 5 of Article 9 of the State UCC of the filing office for the

sufficiency or filing office acceptance of any initial financing statement or amendment, including whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor. Grantor agrees to provide any such information to Grantee promptly upon request. Grantor also ratifies its authorization for Grantee to have filed in any filing office in any State UCC jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor shall pay to Grantee, from time to time, upon demand, any and all costs and expenses incurred by Grantee in connection with the filing of any such initial financing statements and amendments, including attorneys' fees and all disbursements. Such costs and expenses shall bear interest at the Increased Rate from the date paid by Grantee until the date repaid by Grantor and such costs and expenses together with such interest, shall be part of the Debt and shall be secured by this Security Deed.

(c) Grantor shall any time and from time to time take such steps as Grantee may reasonably request for Grantee to obtain "control" of any Personal Property for which control is a permitted or required method to perfect or to insure priority of the security interest in such Personal Property granted hereby.

(d) Upon the occurrence of an Event of Default, Grantee shall have the rights and remedies of a secured party under the State UCC as well as all other rights and remedies available at law or in equity or under this Security Deed. If Grantor does not have an organizational identification number and later obtains one, Grantor shall forthwith notify Grantee of such organizational identification number.

(e) Terms defined in the State UCC and not otherwise defined in this Security Deed have the same meanings in this Section as are set forth in the State UCC. In the event that a term is used in Article 9 of the State UCC and also in another Article of the State UCC, the term used in this Section is that used in Article 9. The term "control", as used in this Section, has the meaning given in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the State UCC, as applicable.

13. Defeasance. This Security Deed is made upon the condition that if the Grantor pays the Debt, and reimburses the Grantee for any amounts the Grantee has paid in respect of Liens or insurance premiums, and interest thereon, and fulfills all of its other obligations under this Security Deed, this conveyance shall be released and satisfied of record.

14. Events of Default. The occurrence of any "Event of Default" (as such term is defined in the Loan Agreement) under the Loan Agreement shall constitute an Event of Default under this Security Deed.

15. Rights and Remedies of Grantee upon Default.

(a) Acceleration of Debt. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee may at its option and WITHOUT DEMAND OR NOTICE to the Grantor, declare all or any part of the Debt immediately due and payable, whereupon all such Debt shall forthwith become due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Grantor, and the Grantee may immediately enforce payment of all such amounts and may exercise any or all of its rights and remedies under this Security Deed, the Note, any of the other Security Documents and in compliance with all applicable law. The Grantor also waives any and all rights the Grantor may have to a hearing before any judicial authority prior to the exercise by the Grantee of any of its rights under this Security Deed, the Note, any of the other Security Documents and in compliance with all applicable law.

(b) Access to Property; Operation of Property by Grantee. Upon the occurrence of an Event of Default or at any time such Event of Default is continuing, in addition to all other rights

herein conferred on the Grantee, the Grantee (or any person, firm or corporation designated by the Grantee) may, but will not be obligated to, enter upon, and without taking possession thereof, inspect or cause to be inspected, the Property, including testing for hazardous substances, and/or to take possession of any or all of the Property, exclude the Grantor therefrom, and hold, use, administer, manage and operate the same to the extent that the Grantor could do so, without any liability to the Grantor resulting therefrom; and the Grantee may collect, receive and receipt for all proceeds accruing from such operation and management, make repairs and purchase needed additional property, and exercise every power, right and privilege of the Grantor with respect to the Property.

(c) Judicial Proceedings; Right to Receiver. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee, in lieu of, or in addition to, exercising the power of sale hereinafter given, may proceed by suit, after accelerating the Debt due hereunder pursuant to Section 15(a) above, to foreclose its lien on, security interest in, and assignment of, the Property, to sue the Grantor for damages on account of or arising out of said default or breach, or for specific performance of any provision contained herein, or to enforce any other appropriate legal or equitable right or remedy. The Grantee shall be entitled, as a matter of right, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Security Deed, to the appointment by any competent court or tribunal, without notice to the Grantor or any other party, of a receiver of the rents, issues and profits of the Property, with power to lease and control the Property and with such other powers as may be deemed necessary.

(d) Foreclosure; Power of Sale. Upon the occurrence of an Event of Default, or at any time thereafter, this Security Deed, after accelerating the Debt due hereunder pursuant to Section 15(a) above, shall be subject to foreclosure and may be foreclosed as now provided by law in case of past due deeds to secure debt, and Grantee may sell and dispose of the Property at public auction, at the usual place for conducting sales at the courthouse in the county where the Property or any part thereof may be (or otherwise as required by law), to the highest bidder for cash, first advertising the time, terms and place of such sale by publishing a notice thereof once a week for four consecutive weeks (without regard to the actual number of days) in a newspaper in which sheriff's advertisements are published in said county, ALL OTHER NOTICE BEING HEREBY WAIVED BY GRANTOR; and Grantee may thereupon execute and deliver to the purchaser at said sale a sufficient conveyance of the Property in fee simple, which conveyance may be with or without warranty and may contain recitals as to the happening of the default upon which the execution of the power of sale, herein granted, depends, the said recitals shall be presumptive evidence that all preliminary acts prerequisite to said sale and deed were in all things duly complied with; and Grantor hereby constitutes and appoints Grantee or its assigns agent and attorney-in-fact to make such recitals, sale and conveyance, which appointment is irrevocable and coupled with an interest, and all of the acts of such attorney-in-fact are hereby ratified, and Grantor agrees that such recitals shall be binding and conclusive upon Grantor and that the conveyance to be made by Grantee, or its assigns, (and in the event of a deed in lieu of foreclosure, then as to such conveyance) shall be effectual to bar all right, title and interest, equity of redemption, including all statutory redemption, homestead, dower, curtesy and all other exemptions of Grantor, or its successors in interest, in and to the Property; at the election of Grantee, the Property, or any part thereof, may be sold in one parcel and as an entirety, or in such parcels, manner or order as Grantee in its sole discretion may elect, and one or more exercises of the powers herein granted shall not extinguish or exhaust the power unless the entire Property is sold or the Debt satisfied in full, and Grantee, or its assigns, shall collect the proceeds of such sale, applying such proceeds as provided in the Loan Agreement (in the event of deficiency, Grantor shall immediately on demand from Grantee pay over to Grantee, or its nominee, such deficiency); and Grantor agrees that in case of a sale, as herein provided, Grantor or any person in possession under Grantor shall then become and be tenants holding over, and shall forthwith deliver possession to the purchaser at such sale, or be summarily dispossessed in accordance with the provisions of law applicable to tenants holding over; the power and agency hereby granted are coupled with an interest and are irrevocable by death or

otherwise, and are in addition to any and all other remedies which Grantee may have at law or in equity. The Grantee, its successors and assigns, may bid at any sale or sales had under the terms of this Security Deed and may purchase the Property, or any part thereof, if the highest bidder therefor. In such event, the Grantee may credit the outstanding indebtedness with the amount which it bid. The purchaser at any such sale or sales shall be under no obligation to see to the proper application of the purchase money.

(c) Personal Property and Fixtures. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee shall have and may exercise with respect to the Personal Property and fixtures included in the Property (the "*Collateral*") all rights, remedies and powers of a secured party under the State UCC with reference to the Collateral or any other items in which a security interest has been granted herein, including, without limitation, the right and power to sell at public or private sale or sales or otherwise dispose of, lease or utilize the Collateral and any part or parts thereof in any manner to the fullest extent authorized or permitted under the State UCC after default hereunder, without regard to preservation of the Collateral or its value and without the necessity of a court order. The Grantee shall have, among other rights, the right to take possession of the Collateral and to enter upon any premises where the same may be situated for the purpose of repossessing the same without being guilty of trespass and without liability for damages occasioned thereby and to take any action deemed appropriate or desirable by the Grantee; at its option and its sole discretion, to repair, restore or otherwise prepare the Collateral for sale, lease or other use or disposition. At the Grantee's request, the Grantor shall assemble the Collateral and make the Collateral available to the Grantee at any place designated by the Grantee. To the extent permitted by law, the Grantor expressly waives any notice of sale or any other disposition of the Collateral and any rights or remedies of the Grantee with respect to, and the formalities prescribed by law relative to, the sale or disposition of the Collateral or to the exercise of any other right or remedy of the Grantee existing after default. To the extent that such notice is required and cannot be waived, the Grantor agrees that if such notice is given to the Grantor in accordance with the provisions of Section 28 below, at least ten (10) days before the time of the sale or other disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving said notice. Disposition of the Collateral shall be deemed commercially reasonable if made pursuant to a public sale advertised at least twice in a newspaper of general circulation in the community where the Property is located. It shall be deemed commercially reasonable for the Grantee to dispose of the Collateral without giving any warranties as to the Collateral and specifically disclaiming all disposition warranties. Alternatively, Grantee may choose to dispose of some or all of the Property, in any combination consisting of both Collateral and Real Estate, in accordance with all applicable law and procedures applicable to real property, as permitted by the State UCC.

The Grantor agrees that the Grantee may proceed to sell or dispose of both the real and personal property comprising the Property in accordance with the rights and remedies granted under this Security Deed with respect to the real property covered hereby, subject to all applicable law. The Grantor hereby grants the Grantee the right, at its option after default hereunder, to transfer at any time to itself or its nominee the Collateral or any part thereof and to receive the monies, income, proceeds and benefits attributable to the same and to hold the same as Collateral or to apply it on the Debt in such order and amounts and manner as the Grantee may elect. The Grantor covenants and agrees that all recitals in any Security Deed transferring, assigning, leasing or making other disposition of the Collateral or any part thereof shall be full proof of the matters stated therein and no other proof shall be required to establish the legal propriety of the sale or other action taken by the Grantee and that all prerequisites of sale shall be presumed conclusively to have been performed or to have occurred.

(f) Rents and Leases. Upon the occurrence of an Event of Default or at any time during the continuance of such Event of Default:

(i) The Grantee, at its option, shall have the right, power and authority to exercise and enforce any or all of the following rights and remedies with respect to Rents and Leases:

(A) to terminate automatically, without the necessity of taking any action, the license granted to the Grantor in Granting Clause C (iii) hereof to collect the Rents, and, without taking possession, in the Grantee's own name to demand, collect, receive, sue for, attach and levy the Rents, to give proper receipts, releases and acquittances therefor, and after deducting all necessary and reasonable costs and expenses of collection, including reasonable attorney's fees, to apply the net proceeds thereof to the Debt in such order and amounts as the Grantee may choose (or hold the same in a reserve as security for the Debt);

(B) without regard to the adequacy of the security, with or without any action or proceeding, through any person or by agent, or by a receiver to be appointed by court, to enter upon, take possession of, manage and operate the Property or any part thereof for the account of the Grantor, make, modify, enforce, cancel or accept surrender of any Lease, remove and evict any lessee or sublessee, increase or reduce rents, decorate, clean and make repairs, and otherwise do any act or incur any cost or expenses the Grantee shall deem proper to protect the security hereof, as fully and to the same extent as the Grantor could do if in possession, and in such event to apply any funds so collected to the operation and management of the Property (including payment of reasonable management, brokerage and attorney's fees) and payment of the Debt in such order and amounts as the Grantee may choose (or hold the same in reserve as security for the Debt); and

(C) to take whatever legal proceedings may appear necessary or desirable to enforce any obligation or covenant or agreement of the Grantor under this Security Deed.

(ii) The collection of the Rents and application thereof (or holding thereof in reserve) as aforesaid or the entry upon and taking possession of the Property or both shall not cure or waive any default or waive, modify or affect any notice of default under this Security Deed, or invalidate any act done pursuant to such notice, and the enforcement of such right or remedy by the Grantee, once exercised, shall continue for so long as the Grantee shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default. If the Grantee shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time following any subsequent default.

(g) Application of Proceeds. All payments received by the Grantee as proceeds of the Property, or any part thereof, as well as any and all amounts realized by the Grantee in connection with the enforcement of any right or remedy under or with respect to this Security Deed, shall be applied by the Grantee in accordance with the terms of the Loan Agreement.

(h) Multiple Sales. Upon the occurrence of an Event of Default or at any time thereafter, the Grantee shall have the option to proceed with foreclosure, either through the courts or by proceeding with foreclosure as provided for in this Security Deed, but without declaring the whole Debt due. Any such sale may be made subject to the unmatured part of the Debt secured by this Security Deed, and such sale, if so made, shall not in any manner affect the unmatured part of the Debt secured by this Security Deed, but as to such unmatured part of the Debt this Security Deed shall remain in full force and effect as though no sale had been made under the provisions of this paragraph. Several sales may be made under the provisions of this paragraph without exhausting the right of sale for any remaining part of the Debt whether then matured or unmatured, the purpose hereof being to provide for a foreclosure and sale of the Property for any matured part of the Debt without exhausting any power of foreclosure and the power to sell the Property for any other part of the Debt, whether matured at the time or subsequently maturing.

(i) Waiver of Appraisal Laws. The Grantor waives, to the fullest extent permitted by law, the benefit of all laws now existing or hereafter enacted providing for (i) any appraisal before sale of any portion of the Property (commonly known as appraisal laws), or (ii) any extension of time for the enforcement of the collection of the Debt or any creation or extension of a period of redemption from any sale made in collecting the Debt (commonly known as stay laws and redemption laws).

(j) Prerequisites of Sales. In case of any sale of the Property as authorized by this Section 15, all prerequisites to the sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the nonpayment of any of the Debt or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true.

16. Waivers and Agreements Regarding Remedies. To the full extent Grantor may do so, Grantor hereby:

(a) agrees that it will not at any time plead, claim or take advantage of any applicable laws now or hereafter in force providing for any moratorium, appraisal, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, moratorium, appraisal, stay of execution, reinstatement (including without limitation all rights under O.C.G.A. § 44-14-85), extension, homestead, exemption and notice of election to accelerate the Debt;

(b) waives all rights to a marshalling of the assets of Grantor, including the Property, or to a sale in the inverse order of alienation in the event of a foreclosure of the Property, and agrees not to assert any right under any applicable law pertaining to the marshalling of assets, the sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Grantee under the terms of this Security Deed to a sale of the Property without any prior or different resort for collection, or the right of Grantee to the payment of the Debt out of the proceeds of sale of the Property in preference to every other claimant whatsoever;

(c) waives any right to bring or utilize any defense, counterclaim or setoff, other than one which denies the existence or sufficiency of the facts upon which any foreclosure action is grounded. If any defense, counterclaim or setoff, other than one permitted by the preceding clause, is timely raised in a foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, such claim may be brought in a separate action which shall not thereafter be consolidated with the foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying the foreclosure action; and

(d) waives and relinquishes any and all rights and remedies which Grantor may have or be able to assert by reason of the provisions of any applicable laws pertaining to the rights and remedies of sureties.

All waivers of the aforesaid rights of Grantor have been made knowingly, intentionally and willingly by Grantor as part of a bargained for loan transaction and that this Security Deed is valid and enforceable by Grantee against Grantor in accordance with all the terms and conditions hereof.

17. Collection Costs. The Grantor agrees to pay all costs, including reasonable attorneys' fees, actually incurred by the Grantee in collecting or securing, or attempting to collect or

secure, the Debt, or any part thereof, or in defending or attempting to defend the priority of this Security Deed against any Lien on the Property, unless this Security Deed is herein expressly made subject to any such Lien; and/or all costs incurred in the foreclosure of this Security Deed, either under the power of sale contained herein, or by virtue of the decree of any court of competent jurisdiction. The full amount of such costs incurred by the Grantee shall be a part of the Debt and shall be secured by this Security Deed.

18. No Obligations with Respect to Leases. The Grantee shall not by virtue of this Security Deed or otherwise assume any duties, responsibilities, liabilities or obligations with respect to Leases, the Improvements, the Personal Property, the Real Estate or any of the other Property (unless expressly assumed by the Grantee under a separate agreement in writing), and this Security Deed shall not be deemed to confer on the Grantee any duties or obligations that would make them directly or derivatively liable for any person's negligent, reckless or willful conduct. The Grantor agrees to defend, indemnify and save harmless the Grantee from and against any and all claims, causes of action and judgments relating to the Grantor's performance of its duties, responsibilities and obligations under Leases and with respect to the Real Estate, the Improvements, the Personal Property, or any of the other Property.

19. Construction of Deed to Secure Debt. This Security Deed is and may be construed as a deed to secure debt, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the lien hereof and the assignment and security interest created hereby and the purposes and agreements herein set forth.

20. Successors and Assigns. All covenants and agreements herein made by the undersigned shall bind the undersigned and the heirs, personal representatives, successors and assigns of the undersigned; and every option, right and privilege herein reserved or secured to the Grantee shall inure to the benefit of the Grantee's successors and assigns.

21. Waiver and Election. The exercise by the Grantee of any option given under the terms of this Security Deed shall not be considered as a waiver of the right to exercise any other option given herein, and the filing of a suit to foreclose the lien, security interest and assignment granted by this Security Deed, either on any matured portion of the Debt or for the whole of the Debt, shall not be considered an election so as to preclude foreclosure under power of sale after a dismissal of the suit; nor shall the publication of notices for foreclosure preclude the prosecution of a later suit thereon. No failure or delay on the part of the Grantee in exercising any right, power or remedy under this Security Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or thereunder. The remedies provided in this Security Deed and in the other Security Documents are cumulative and not exclusive of any remedies provided by law. No amendment, modification, termination or waiver of any provisions of this Security Deed or any of the Security Documents, nor consent to any departure by the Grantor therefrom, shall be effective unless the same shall be in writing and signed by an executive officer of the Grantee, and then such waiver or consent shall be effective only in this specific instance and for the specific purpose for which given. No notice to, or demand on, the Grantor in any case shall entitle the Grantor to any other or further notice or demand in similar or other circumstances.

22. Landlord-Tenant Relationship. Any sale of the Property under this Security Deed shall, without further notice, create the relationship of landlord and tenant at sufferance between the purchaser and the Grantor.

23. Enforceability. If any provision of this Security Deed is now or at any time hereafter becomes invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and the remaining provisions hereof shall be construed in favor of the Grantee to effectuate the provisions hereof.

24. Application of Payments. If the lien, assignment or security interest created by this Security Deed is invalid or unenforceable as to any part of the Debt or is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the Debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the Debt, and all payments made on the Debt, whether voluntary or under foreclosure or other enforcement action or procedures, shall be considered to have been first paid on, and applied to, the full payment of that portion of the Debt which is not secured or not fully secured by said lien, assignment or security interest created hereby.

25. Meaning of Particular Terms. Whenever used, the singular number shall include the plural and the plural the singular, and pronouns of one gender shall include all genders; and the words "Grantor" and "Grantee" shall include their respective successors and assigns. Plural or singular words used herein to designate the undersigned shall be construed to refer to the maker or makers of this Security Deed, whether one or more natural persons, corporations, associations, partnerships, limited liability companies or other entities.

26. Advances by the Grantee. If the Grantor shall fail to comply with the provisions hereof with respect to the securing of insurance, the payment of Liens, the keeping of the Property in repair, the performance of the Grantor's obligations under any Lease, the payment of any prior mortgages, or the performance of any other term or covenant herein contained, the Grantee may (but shall not be required to) make advances to perform the same, and where necessary enter the Property for the purpose of performing any such term or covenant. The Grantor agrees to repay all such sums advanced upon demand, with interest from the date such advances are made, at the rate provided for in the Note, or the highest rate permitted by law, whichever shall be less, and all sums so advanced with interest shall be a part of the Debt and shall be secured hereby. The making of any such advances shall not be construed as a waiver by the Grantee of any Event of Default resulting from the Grantor's failure to pay the amounts paid.

27. Release or Extension by the Grantee. The Grantee, without notice to the Grantor and without in any way affecting the rights of the Grantee hereunder as to any part of the Property not expressly released, may release any part of the Property or any person liable for any of the Debt and may agree with any party with an interest in the Property to extend the time for payment of all or any part of the Debt or to waive the prompt and full performance of any term, condition or covenant of the Note, any of the Security Documents, this Security Deed or any other instrument evidencing or securing the Debt. Upon Grantor's payment in full and satisfaction of all obligations evidenced by the Debt, Grantee shall promptly upon request execute and deliver to Grantor such instruments that are reasonably necessary to evidence the termination of Grantee's security interest in the Property of record.

28. Partial Payments. Acceptance by the Grantee of any payment of less than the full amount due on the Debt shall be deemed acceptance on account only, and the failure of the Grantor to pay the entire amount then due shall be and continue to constitute an Event of Default, and at any time thereafter and until the entire amount due on the Debt has been paid, the Grantee shall be entitled to exercise all rights conferred on it by the terms of this Security Deed in case of the occurrence of an Event of Default.

29. Addresses for Notices. All notices, requests, demands and other communications provided for hereunder shall be delivered in accordance with the terms of Section 7.01 of the Loan Agreement.

30. Titles. All section, paragraph, subparagraph or other titles contained in this Security Deed are for reference purposes only, and this Security Deed shall be construed without reference to said titles.

31. Commercial Transaction. The interest of Grantee under this Security Deed and the liability and obligation of Grantor for the Debt arise from a "commercial transaction" within the meaning of the O.C.G.A. § 44-14-260(1). Accordingly, pursuant to O.C.G.A. § 44-14-263, Grantor waives any and all rights that Grantor may have to notice, except as expressly provided in this Security Deed, prior to seizure by Grantee of any interest in personal property of Grantor which constitutes part of the Property, whether such seizure is by writ of possession or otherwise.

32. Attorneys' Fees. Whenever the provisions of this Security Deed or any other Loan Document provide for Grantor to pay Grantee's attorneys' fees and expenses, such obligation shall be construed to mean the fees and expenses of Grantee's outside counsel actually incurred at standard hourly rates, rather than a percentage of principal and interest as provided in O.C.G.A. §13-1-11(a) (2).

33. Further Assurances: Appointment of Attorney-in-Fact. Upon request by Grantee, from time to time, Grantor shall prepare, execute and deliver, or cause to be prepared, executed and delivered, to Grantee, all instruments, certificates and other documents which may, in the opinion of Grantee, be necessary or desirable in order to effectuate, complete, perfect or continue and preserve the Debt and the security title, security interest, rights and/or lien of this Security Deed. Upon any failure by Grantor to do so, Grantee may prepare, execute and record any such instruments, certificates and documents for and in the name of Grantor and Grantor hereby appoints Grantee the agent and attorney-in-fact of Grantor for such purposes. This power is coupled with an interest and shall be irrevocable so long as any part of the Debt remain unpaid or unperformed. Grantor shall reimburse Grantee for all sums expended by Grantee in preparing, executing and recording such instruments, certificates and documents and such sums shall be secured by this Security Deed.

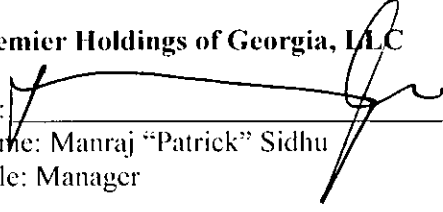
34. Additional Security Instruments. Grantor, from time to time and within fifteen (15) days after request by Grantee, shall execute, acknowledge and deliver to Grantee such chattel mortgages, security deeds, deeds to secure debt, security agreements or other similar security instruments, in form and substance satisfactory to Grantee, covering all property of any kind whatsoever owned by Grantor or in which Grantor may have any interest which, in the opinion of Grantee, is necessary to the operation and maintenance of the Property or is otherwise a part of the Property. Grantor, from time to time and within fifteen (15) days after request by Grantee, shall also execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement, supplementary mortgage, supplementary deed to secure debt, supplementary security deed or other document as Grantee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of, this Security Deed or such chattel mortgage, deed to secure debt, security deed or other security instrument, as a first-priority security title, security interest, rights and/or lien. Grantor shall pay to Grantee on demand all costs and expenses incurred by Grantee in connection with the preparation, execution, recording, filing and refiling of any such instrument or document, including charges for examining title and reasonable attorneys' fees and expenses for rendering an opinion as to the priority of this Security Deed and of each such chattel mortgage, deed to secure debt or other security agreement or instrument as a valid and subsisting first priority security title, security interest, rights and/or lien on such property. Neither a request so made by Grantee, nor the failure of Grantee to make such a request, shall be construed as a release of such property, or any part thereof, from the security title, security interest,

rights and/or lien of this Security Deed. This covenant and each such deed to secure debt, security deed, mortgage, chattel or other security agreement or instrument, delivered to Grantee are cumulative and given as additional security. Grantor shall pay all premiums and related costs in connection with any title insurance policy or policies in full or partial replacement of the title insurance policy now insuring or which will insure the security title of this Security Deed.

Signatures commence on the following page

IN WITNESS WHEREOF, the undersigned Grantor has caused this Security Deed to be executed and delivered under seal as of the date first written above.

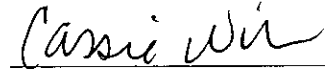
Premier Holdings of Georgia, LLC

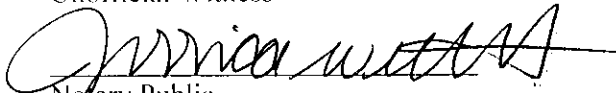
By:  [SEAL]

Name: Manraj "Patrick" Sidhu

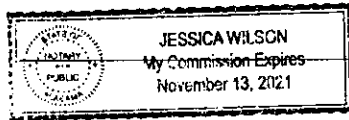
Title: Manager

Signed, sealed and delivered
in the presence of:


Unofficial Witness


Notary Public

My Commission Expires:



[NOTARIAL SEAL]

Signature Page

EXHIBIT A
TO
DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES

[Legal Description]

All that certain lot, tract or parcel of land situate, lying and being in Land Lot No. 88 of the 2nd Land District of the City of Nahunta, Brantley County, Georgia, consisting of 1.49 acres more or less. Said real property being more particularly described as follows:

Commencing at the intersection of the Southerly 100' Right of Way of US Hwy 82 / W Cleveland Street and the Westerly 40' Right of Way of Jackson Street proceed in a northwesterly direction along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street a distance of 167.20 feet to an Iron Pin Found (#5 Rebar); thence along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street proceed N 80° 50' 08"W a distance of 50.08 feet to an Iron Pin Found (#5 Rebar). Said Iron Pin Found (#5 Rebar) being the Point of Beginning.

From said Point of Beginning proceed S 09° 06' 33"W a distance of 309.96 feet to an Iron Pin Found (#5 Rebar); thence along the northerly 40' Right of Way of Plum Street proceed N80° 56' 24"W a distance of 209.86 feet to an Iron Pin Found (#5 Rebar); thence proceed N09° 05' 34"E a distance of 310.14 feet to an Iron Pin Found (#5 Rebar); thence along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street proceed S80° 53' 27"E a distance of 209.95 feet to an Iron Pin Found (#5 Rebar) being the Point of Beginning.

TOGETHER WITH those easement rights arising under that certain Easement Agreement by and between Beasley-Brantley Holdings, LLC, a Georgia limited liability company and Premier Holdings of Georgia, dated March 1, 2019, filed for record contemporaneously herewith in Deed Book 682, Page 259-266 in the Records of Brantley County, Georgia.

Exhibit A

EXHIBIT B
TO
DEED TO SECURE DEBT, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES

[Permitted Exceptions]

1. All taxes for the year 2019 and subsequent years, a lien not yet due and payable.
2. Conveyance of Access Rights from Betty C. Davis to the Department of Transportation, dated September 18, 1984, filed for record September 19, 1984 at 11:00 a.m., recorded in Deed Book 40, Page 739, Records of Brantley County, Georgia.
3. Easement Agreement by and between Beasley-Brantley Holdings, LLC, a Georgia limited liability company and Premier Holdings of Georgia, filed for record in the aforesaid Records contemporaneously herewith.
4. Those matters as disclosed by that certain **Preliminary** survey entitled "ALTA/NSPS Land Title Survey For Premier Holdings of Georgia, LLC", prepared by T. R. Long Engineering, P.C., bearing the seal and certification of Joseph C. Riley, Georgia Registered Land Surveyor No. 3048, dated February 25, 2019, being designated as File No. 2018-147, as follows:
 - (1) Overhead power line with power pole crossing the westerly and easterly boundary lines of subject property;
 - (2) Existing pull up bars crossing the easterly boundary line of subject property;
 - (3) [INTENTIONALLY OMITTED]
 - (4) Underground power line crossing the westerly boundary line of subject property;
 - (5) Existing telephone pedestal crossing the northerly boundary line of subject property;
and
 - (6) Fifteen (15") inch reinforced concrete pipe crossing the northerly boundary line of subject property.



May 26, 2023

PREMIER HOLDINGS OF GEORGIA LLC
PREMIER HOLDINGS OF GEORGIA, LLC
3300 EASTERN BLVD.
MONTGOMERY, AL 36116-1408

RE: Loan from First Horizon Bank, or any predecessor institution, ("First Horizon") to PREMIER HOLDINGS OF GEORGIA LLC in the original commitment amount of \$1,365,200.00 dated 3/1/2019, as may have been thereafter modified or amended (the "Loan," Facility Loan Number 3990039309).

Dear PREMIER HOLDINGS OF GEORGIA, LLC:

In accordance with federal laws and regulations, and in conjunction with the impending cessation of the London Interbank Offered Rate ("LIBOR"), First Horizon is replacing 1-Month LIBOR with 1-Month CME Term SOFR as the index rate for your Loan and is adjusting the Loan's spread by 0.11448%. As a result, effective on the first interest rate change date on or after July 5, 2023, your Loan's benchmark index rate will be 1-Month CME Term SOFR, and the Loan's margin/spread will be 2.36448%, as further set forth in Exhibit A.

On March 5, 2021, the United Kingdom's Financial Conduct Authority ("FCA"), the governmental regulator of the administrator of LIBOR, announced that U.S. Dollar LIBOR will no longer be published on a representative basis after June 30, 2023, for the following tenors: overnight, 1 month, 3 months, 6 months and 12 months. You are a party to a promissory note or a loan agreement that evidences a loan tied to 1-Month LIBOR.

On March 15, 2022, the Adjustable Interest Rate (LIBOR) Act (the "LIBOR Act") was signed into law and provides that a person or entity who has the authority to determine a benchmark replacement rate under any contract referencing LIBOR may replace LIBOR with the replacement rate named by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), including adding a spread adjustment based on the historical differences between LIBOR and the Federal Reserve-selected rate, for interest rate determination dates occurring after the first business day after June 30, 2023. The Act states that such rate shall be deemed to be: reasonable, comparable or analogous to LIBOR; a commercially reasonable replacement for and a commercially substantial equivalent to LIBOR; and a replacement rate that is based on a methodology that is similar or comparable to LIBOR.

The Federal Reserve thereafter issued Regulation ZZ implementing the LIBOR Act, and selected 1-Month CME Term SOFR, administered by CME Group Benchmark Administration Ltd, as the replacement rate to 1-Month LIBOR for commercial loans. In accordance with the LIBOR Act, a spread adjustment of 0.11448% will be applied for the 1-Month tenor.

If you have questions about your Loan's new benchmark interest rate, please contact your Relationship Manager.

First Horizon Bank

Exhibit A

Notice of Successor/Replacement Rate and Conforming Changes

The promissory note evidencing your Loan, any loan or credit agreement governing the terms of your Loan, and any other document or agreement made or delivered in connection with, pursuant to or related to your Loan (excluding any interest rate swap or derivative transaction), as amended, supplemented or otherwise modified from time to time, shall be referred to herein as the “Loan Documents.”

- 1. Successor/Replacement Rate.** Effective on the first interest rate change date (however defined in the Loan Documents) on or after July 5, 2023, the benchmark index rate that is the variable rate component of the interest rate accruing on your Loan will change from U.S. Dollar 1-Month LIBOR to 1-Month CME Term SOFR, as defined as:

1-Month CME Term SOFR shall mean the rate per annum equal to the forward looking term secured overnight financing rate for a 1-Month tenor administered by CME Group Benchmark Administration Ltd (or a successor administrator) and published by authorized distributors of CME Term SOFR at 5:00 a.m. (CST) (or any amended publication time for CME Term SOFR as specified by the administrator of CME Term SOFR) that is 2¹ SIFMA Business Days prior to the relevant 1-Month interest period; provided, however, if the CME Term SOFR Rate has not been published or is otherwise available for any interest rate change, determination or reset date (however defined), the CME Term SOFR rate shall be determined by reference to the Term SOFR rate last published.

“SIFMA Business Day” shall mean any day except for Saturday, Sunday or a day in which the Securities Industry and Financial Market Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

- 2. Spread Adjustment.** The spread adjustment of 0.11448%, will be added to the current margin or spread on your Loan. As a result, for each interest rate calculation date beginning on or after July 5, 2023, the variable rate interest rate accruing on the Loan will be equal to 1-Month CME Term SOFR plus a margin/spread of 2.36448% (which represents the original spread/margin of 2.25000% plus the SOFR spread adjustment of 0.11448%).

- 3. Other Loan Terms.** Except as otherwise stated herein or provided under the LIBOR Act and its implementing regulations, the selection and use of CME Term SOFR as the “Replacement Rate” or “Successor Rate” as may be defined in the Loan Documents or as an undefined term, shall not change any other terms or provisions of any Loan Document, such as the timing of any interest rate changes or resets, any lookback periods used in calculating the interest rate to be used for an applicable interest rate period (the change in business day reference below), the minimum or maximum interest rate you may pay during the term of the loan, among other terms and provisions.

i. References to London Business Day. To the extent that any term or provision of any Loan Document refers to the term “Business Day,” “Banking Day,” “business day” or other analogous or similar term or provision defining generally the days on which banks are deemed to be open for business, such term or provision shall instead be deemed modified to delete any provision therein referencing London, the United Kingdom or the London interbank market to the extent that any such provision relates primarily to the use or administration of USD LIBOR. As noted above, when used in connection with the calculation of the CME Term SOFR rate for any applicable interest period, a reference to “Business Day” or “Banking Day” shall refer to SIFMA Business Day for such purposes.

¹ The Lookback period previously used with calculating the LIBOR based index rate will not change, except as otherwise noted herein (change in Business Day reference).

ii. **References to LIBOR.** To the extent that any term or provision of any Loan Document refers to the term "LIBOR," "LIBOR Rate," or other analogous or similar term referring to USD LIBOR, such term or provision shall be deemed deleted and of no further force or effect and the term "CME Term SOFR" shall be inserted in lieu thereof.

iii. **London Interbank Market.** Any reference in any Loan Document to the London interbank market, London interbank eurodollar market or other analogous or similar term shall be disregarded and, to the extent that such reference operates as a limitation on, or qualification of, the applicability of another provision, such limitation or qualification will be deemed removed.

4. Additional Conforming Changes. Nothing in this Notice shall restrict or impact the ability or right of First Horizon to make any future modifications, supplements, technical, administrative or operational changes or other conforming changes that First Horizon decides may be appropriate to reflect the adoption and implementation of CME Term SOFR pursuant to the Loan Documents and applicable law.



May 26, 2023

PREMIER HOLDINGS OF GEORGIA LLC
PREMIER HOLDINGS OF GEORGIA, LLC
3300 EASTERN BLVD.
MONTGOMERY, AL 36116-1408

RE: Loan from First Horizon Bank, or any predecessor institution, ("First Horizon") to PREMIER HOLDINGS OF GEORGIA LLC in the original commitment amount of \$517,500.00 dated 3/1/2019, as may have been thereafter modified or amended (the "Loan," Facility Loan Number 3990039310).

Dear PREMIER HOLDINGS OF GEORGIA, LLC:

In accordance with federal laws and regulations, and in conjunction with the impending cessation of the London Interbank Offered Rate ("LIBOR"), First Horizon is replacing 1-Month LIBOR with 1-Month CME Term SOFR as the index rate for your Loan and is adjusting the Loan's spread by 0.11448%. As a result, effective on the first interest rate change date on or after July 5, 2023, your Loan's benchmark index rate will be 1-Month CME Term SOFR, and the Loan's margin/spread will be 2.36448%, as further set forth in Exhibit A.

On March 5, 2021, the United Kingdom's Financial Conduct Authority ("FCA"), the governmental regulator of the administrator of LIBOR, announced that U.S. Dollar LIBOR will no longer be published on a representative basis after June 30, 2023, for the following tenors: overnight, 1 month, 3 months, 6 months and 12 months. You are a party to a promissory note or a loan agreement that evidences a loan tied to 1-Month LIBOR.

On March 15, 2022, the Adjustable Interest Rate (LIBOR) Act (the "LIBOR Act") was signed into law and provides that a person or entity who has the authority to determine a benchmark replacement rate under any contract referencing LIBOR may replace LIBOR with the replacement rate named by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), including adding a spread adjustment based on the historical differences between LIBOR and the Federal Reserve-selected rate, for interest rate determination dates occurring after the first business day after June 30, 2023. The Act states that such rate shall be deemed to be: reasonable, comparable or analogous to LIBOR; a commercially reasonable replacement for and a commercially substantial equivalent to LIBOR; and a replacement rate that is based on a methodology that is similar or comparable to LIBOR.

The Federal Reserve thereafter issued Regulation ZZ implementing the LIBOR Act, and selected 1-Month CME Term SOFR, administered by CME Group Benchmark Administration Ltd, as the replacement rate to 1-Month LIBOR for commercial loans. In accordance with the LIBOR Act, a spread adjustment of 0.11448% will be applied for the 1-Month tenor.

If you have questions about your Loan's new benchmark interest rate, please contact your Relationship Manager.

First Horizon Bank

Exhibit A
Notice of Successor/Replacement Rate and Conforming Changes

The promissory note evidencing your Loan, any loan or credit agreement governing the terms of your Loan, and any other document or agreement made or delivered in connection with, pursuant to or related to your Loan (excluding any interest rate swap or derivative transaction), as amended, supplemented or otherwise modified from time to time, shall be referred to herein as the "Loan Documents."

- 1. Successor/Replacement Rate.** Effective on the first interest rate change date (however defined in the Loan Documents) on or after July 5, 2023, the benchmark index rate that is the variable rate component of the interest rate accruing on your Loan will change from U.S. Dollar 1-Month LIBOR to 1-Month CME Term SOFR, as defined as:

1-Month CME Term SOFR shall mean the rate per annum equal to the forward looking term secured overnight financing rate for a 1-Month tenor administered by CME Group Benchmark Administration Ltd (or a successor administrator) and published by authorized distributors of CME Term SOFR at 5:00 a.m. (CST) (or any amended publication time for CME Term SOFR as specified by the administrator of CME Term SOFR) that is 2¹ SIFMA Business Days prior to the relevant 1-Month interest period; provided, however, if the CME Term SOFR Rate has not been published or is otherwise available for any interest rate change, determination or reset date (however defined), the CME Term SOFR rate shall be determined by reference to the Term SOFR rate last published.

"SIFMA Business Day" shall mean any day except for Saturday, Sunday or a day in which the Securities Industry and Financial Market Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

- 2. Spread Adjustment.** The spread adjustment of 0.11448%, will be added to the current margin or spread on your Loan. As a result, for each interest rate calculation date beginning on or after July 5, 2023, the variable rate interest rate accruing on the Loan will be equal to 1-Month CME Term SOFR plus a margin/spread of 2.36448% (which represents the original spread/margin of 2.25000% plus the SOFR spread adjustment of 0.11448%).

- 3. Other Loan Terms.** Except as otherwise stated herein or provided under the LIBOR Act and its implementing regulations, the selection and use of CME Term SOFR as the "Replacement Rate" or "Successor Rate" as may be defined in the Loan Documents or as an undefined term, shall not change any other terms or provisions of any Loan Document, such as the timing of any interest rate changes or resets, any lookback periods used in calculating the interest rate to be used for an applicable interest rate period (the change in business day reference below), the minimum or maximum interest rate you may pay during the term of the loan, among other terms and provisions.

1. References to London Business Day. To the extent that any term or provision of any Loan Document refers to the term "Business Day," "Banking Day," "business day" or other analogous or similar term or provision defining generally the days on which banks are deemed to be open for business, such term or provision shall instead be deemed modified to delete any provision therein referencing London, the United Kingdom or the London interbank market to the extent that any such provision relates primarily to the use or administration of USD LIBOR. As noted above, when used in connection with the calculation of the CME Term SOFR rate for any applicable interest period, a reference to "Business Day" or "Banking Day" shall refer to SIFMA Business Day for such purposes.

¹The Lookback period previously used with calculating the LIBOR based index rate will not change, except as otherwise noted herein (change in Business Day reference).

ii. **References to LIBOR.** To the extent that any term or provision of any Loan Document refers to the term "LIBOR," "LIBOR Rate," or other analogous or similar term referring to USD LIBOR, such term or provision shall be deemed deleted and of no further force or effect and the term "CME Term SOFR" shall be inserted in lieu thereof.

iii. **London Interbank Market.** Any reference in any Loan Document to the London interbank market, London interbank eurodollar market or other analogous or similar term shall be disregarded and, to the extent that such reference operates as a limitation on, or qualification of, the applicability of another provision, such limitation or qualification will be deemed removed.

4. Additional Conforming Changes. Nothing in this Notice shall restrict or impact the ability or right of First Horizon to make any future modifications, supplements, technical, administrative or operational changes or other conforming changes that First Horizon decides may be appropriate to reflect the adoption and implementation of CME Term SOFR pursuant to the Loan Documents and applicable law.

013-2019-043
MARCH 7, 2019
3:00 PM
BRANTLEY

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) James L. Webb 205-521-8000
B. E-MAIL CONTACT AT FILER (optional) jwebb@bradley.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) After recording return to: Calloway Title & Escrow, LLC David W. Dudley 2-36736 4170 Ashford Dunwoody Rd. Ste. 525 Atlanta, Georgia 30319

SHERRY DIXON, DEPUTY
CLERK

COPY

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 Premier Holdings of Georgia, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 3300 Eastern Blvd.		CITY Montgomery	STATE AL	POSTAL CODE 36116
			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				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				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 IBERIABANK				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 2340 Woodcrest Place		CITY Birmingham	STATE AL	POSTAL CODE 35209
			COUNTRY USA	

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

All Equipment, Fixtures and Furniture of Debtor located at or which are used in connection with the property located in Brantley County, Georgia and more particularly described on Exhibit A attached hereto and the improvements located thereon from time to time and whether now or hereafter existing and whether now owned or hereafter acquired, of every kind and description.

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/Licensor

8. OPTIONAL FILER REFERENCE DATA:

202102-301033 filed with the Clerk of Brantley County, GA (central filing)

**EXHIBIT A
TO
UCC FINANCING STATEMENT**

[Legal Description]

All that certain lot, tract or parcel of land situate, lying and being in Land Lot No. 88 of the 2nd Land District of the City of Nahunta, Brantley County, Georgia, consisting of 1.49 acres more or less. Said real property being more particularly described as follows:

Commencing at the intersection of the Southerly 100' Right of Way of US Hwy 82 / W Cleveland Street and the Westerly 40' Right of Way of Jackson Street proceed in a northwesterly direction along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street a distance of 167.20 feet to an Iron Pin Found (#5 Rebar); thence along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street proceed N 80° 50' 08"W a distance of 50.08 feet to an Iron Pin Found (#5 Rebar). Said Iron Pin Found (#5 Rebar) being the Point of Beginning.

From said Point of Beginning proceed S 09° 06' 33"W a distance of 309.96 feet to an Iron Pin Found (#5 Rebar); thence along the northerly 40' Right of Way of Plum Street proceed N80° 56' 24"W a distance of 209.86 feet to an Iron Pin Found (#5 Rebar); thence proceed N09° 05' 34"E a distance of 310.14 feet to an Iron Pin Found (#5 Rebar); thence along the aforesaid Right of Way of US Hwy 82 / W Cleveland Street proceed S80° 53' 27"E a distance of 209.95 feet to an Iron Pin Found (#5 Rebar) being the Point of Beginning.

TOGETHER WITH those easement rights arising under that certain Easement Agreement by and between Beasley-Brantley Holdings, LLC, a Georgia limited liability company and Premier Holdings of Georgia, dated March 1, 2019, filed for record on or around the date hereof.

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "Guaranty") is executed as of the 1st day of March, 2019, by **Premier Kings of Georgia, Inc.**, a Georgia corporation (the "Entity Guarantor") and **Manraj "Patrick" Sidhu**, a resident of Alabama and **Jaipal Gill**, a resident of Georgia (together, the "Individual Guarantor" and collectively with the Entity Guarantor, the "Guarantor"), in favor of **IBERIABANK**, a Louisiana state chartered bank (the "Lender").

Recitals

A. Premier Holdings, LLC, an Alabama limited liability company (the "Borrower"), has entered into a loan agreement (as modified, amended, supplemented and/or restated from time to time, the "Loan Agreement") with the Lender of even date herewith, providing, among other things, for loans by the Lender to the Borrower (i) in the original principal amount of \$1,365,200 (the "Real Estate Loan"), as evidenced by the Borrower's promissory note (as modified, amended, supplemented, renewed and/or restated from time to time, the "Real Estate Note"), dated of even date, and executed and delivered to the Lender and (ii) in the original principal amount of \$517,500 (the "Equipment Loan" and together with the Real Estate Loan, the "Loan"), as evidenced by the Borrower's promissory note (as modified, amended, supplemented, renewed and/or restated from time to time, the "Equipment Note" and together with the Real Estate Note, the "Note"), dated of even date, and executed and delivered to the Lender. Any capitalized term used but not otherwise defined in this Guaranty shall have the meaning ascribed to such term in the Loan Agreement.

B. To induce the Lender to make the Loan, Guarantor has agreed, among other things, to guarantee the payment and performance of the obligations and liabilities of the Borrower to the Lender with respect to the Loan pursuant to the terms and conditions hereafter set forth.

C. Guarantor understands that the Lender is relying upon the agreement of Guarantor as hereafter set forth as a material condition to the Lender's agreement to make the Loan to the Borrower.

Agreement

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and as a material inducement to Lender to extend credit to Borrower, the Guarantor hereby guarantees to Lender the prompt and full payment and performance of the indebtedness and obligations described below in this Guaranty (collectively called the "Guaranteed Obligation"), this Guaranty being upon the following terms and conditions:

1. Definitions. For purposes of this Guaranty, except as otherwise expressly provided or unless the context otherwise requires:

(a) Singular terms shall include the plural as well as the singular and vice versa.

(b) All references to other documents or instruments shall be deemed to refer to such documents or instruments as they may hereafter be extended, renewed, modified, or amended (except to the extent such extension, renewal, modification or amendment is restricted by this Guaranty).

2. Guaranty of Payment.

(a) Guarantor hereby unconditionally guarantees to Lender the payment, as and when the same shall be due and payable, whether by lapse of time, by acceleration of maturity or otherwise, and at all times thereafter, of all principal, interest, fees, costs, expenses, attorneys' fees, indemnification indebtedness and other sums of money now or hereafter due and owing pursuant to the terms of the Note or pursuant to the terms of the Loan Agreement, the Mortgage or any other of the Loan Documents now or hereafter existing (specifically including, without limitation, any Hedge Agreement), and all renewals, extensions, refinancings, modifications or amendments of such indebtedness or any part thereof together with costs of collection as set forth in Section 12 hereof (herein collectively called the "Indebtedness"). This Guaranty covers the Indebtedness whether presently outstanding or arising subsequent to the date hereof including all amounts advanced by Lender in stages or installments. The guaranty of Guarantor as set forth in this Section is a guaranty of payment and not of collection.

(b) Notwithstanding anything to the contrary contained in this Guaranty or any provision of any other Loan Document, the Guaranteed Obligation guaranteed hereunder by any Guarantor shall not extend to or include any Excluded Swap Transaction (as defined below) with respect to that Guarantor. For purposes hereof, "Excluded Swap Transaction" means, with respect to any Guarantor, any transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act ("Swap"), if, and to the extent that, such Guarantor is not an "eligible contract participant" under and as defined in Section 1a(18) of the Commodity Exchange Act (or CFTC rules promulgated thereunder) on the date such Swap is entered into or such transaction is or becomes illegal under the Commodity Exchange Act (or CFTC rules promulgated thereunder) or other applicable law.

3. Guaranty of Performance. Guarantor additionally hereby unconditionally guarantees to Lender the timely performance of all other obligations of Borrower under all of the Loan Documents, including, without limiting the generality of the foregoing, that:

(a) the Improvements will be constructed upon the Real Estate in accordance with the Loan Agreement and substantially in accordance with the Plans and Specifications; and

(b) the Improvements will be completed and ready for occupancy, including delivery of any certificates required by law or the Loan Agreement, on or before the date required in the Loan Agreement.

If any of the foregoing obligations of Borrower are not complied with, in any respect whatsoever, and without the necessity of any notice from Lender to Guarantor, Guarantor agrees

to (i) assume all responsibility for the completion of the Improvements and, at no cost to Lender, to cause the Improvements to be fully completed in substantial accordance with the Plans and Specifications and in accordance with the Loan Agreement; (ii) cause all bills to be paid in connection with the construction of the Improvements; and (iii) indemnify and hold Lender harmless from any and all loss, cost, liability or expense Lender may suffer by reason of any such event, including, without limitation, attorneys' fees. Lender shall accept performance by Guarantor of Borrower's obligations under the Loan Documents, and so long as all of said obligations are being performed by Borrower or Guarantor and there is no Event of Default, Lender will make Advances under the Loan Agreement to Borrower under and subject to the terms of the Loan Agreement. If, after the occurrence and during the continuance of an Event of Default, Lender, in its sole discretion, is dissatisfied with the progress of construction by Borrower and/or Guarantor, Lender may, at its option, after first having given notice to Guarantor at the address set forth below in the manner prescribed herein for giving notice, and provided that such Event of Default continues for a period of thirty (30) days following receipt of such notice, complete the Improvements in substantial accordance with the Plans and Specifications either before or after exercise of commencement of foreclosure proceedings or before or after any other remedy of Lender against Borrower or Guarantor, with such changes or modifications in the Plans and Specifications which Lender reasonably deems necessary and expend such sums as Lender, in its discretion, reasonably deems necessary and proper in order to so complete the Improvements in substantial accordance with the Plans and Specifications, and Guarantor hereby waives any right to contest any such reasonably necessary expenditures. The amount of any and all expenditures made by Lender before foreclosure for the foregoing purposes shall be due and payable to Lender, upon demand and shall accrue interest at the rate as provided in the Loan Documents. Lender has no, and shall have no, obligation to complete the Improvements or take any such action.

4. Primary Liability of Guarantor. This Guaranty is an absolute, irrevocable and unconditional guaranty of payment and performance. In the event of default by Borrower in payment or performance of the Guaranteed Obligation, or any part thereof, when such indebtedness or performance becomes due, either by its terms or as the result of the exercise of any power to accelerate, Guarantor, on demand and without presentment, protest, notice of protest, further notice of nonpayment or of dishonor or of default or nonperformance, or notice of acceleration or of intent to accelerate, or any other notice whatsoever, without any notice having been given to Guarantor previous to such demand of the acceptance by Lender of this Guaranty, and without any notice having been given to Guarantor previous to such demand of the creating or incurring of such indebtedness or of such obligation to perform, shall pay the amount outstanding pursuant to Section 2 hereof to Lender, or perform or observe the agreement, covenant, term or condition, as the case may be, and it shall not be necessary for Lender, in order to enforce such payment or performance by Guarantor, first to institute suit or exhaust Lender's remedies against Borrower or others liable on such indebtedness or for such performance (including any action against any other Guarantor hereof), to enforce its rights against any security which shall ever have been given to secure such indebtedness or performance, to join Borrower or any others liable on the Guaranteed Obligation in any action to enforce this Guaranty, or to resort to any other means of obtaining payment or performance of the Guaranteed Obligation. Suit may be brought or demand may be made against all parties who have signed this Guaranty, or against any one or more of them, separately or together, without

impairing the rights of Lender against any other party hereto. At any time Lender is entitled to exercise its remedies hereunder, Lender may, in its discretion elect to demand payment or performance. If Lender elects to demand performance, it shall at all times thereafter have the right to demand payment until all of the Indebtedness has been paid in full. If Lender elects to demand payment, it shall at all times thereafter have the right to demand performance until all of the Indebtedness has been paid in full. If Lender forecloses on any real property collateral securing the Indebtedness, the amount of the Indebtedness may be reduced only by the amount of the net proceeds to Lender resulting from the foreclosure sale, even if such collateral is worth more than the price for which the collateral is sold at such sale; and Lender may collect from Guarantor hereunder even if Lender, by foreclosing on the real property collateral, has destroyed any rights Guarantor may have to collect from Borrower or anyone else.

5. Certain Agreements and Waivers by Guarantor. Guarantor hereby agrees that neither Lender's rights and remedies nor Guarantor's obligations under the terms of this Guaranty shall be released, diminished, impaired, reduced or affected by any one or more of the following:

- (a) any limitation of liability or recourse in any other Loan Document;
- (b) the taking or accepting of any other security or guaranty for, or right of recourse with respect to, any or all of the Guaranteed Obligation;
- (c) any release, surrender, exchange, subordination, deterioration, waste, impairment or loss of, or any failure to create or perfect, any lien or security interest with respect to any security at any time existing or purported, believed or expected to exist in connection with any or all of the Guaranteed Obligation;
- (d) any partial release of the liability of Guarantor hereunder or any other Guarantor under a separate Guaranty, or if there is more than one person signing this Guaranty, the complete or partial release of any one or more of them hereunder;
- (e) the death, insolvency, bankruptcy, disability, dissolution, liquidation, termination, receivership, reorganization, change of form and/or name, structure or ownership, sale of all assets, or lack of limited liability company or other power of Borrower, any of the undersigned, or any party at any time liable for the payment or performance of any or all of the Guaranteed Obligation, whether now existing or hereafter occurring;
- (f) renewal, extension, modification or rearrangement of the payment or performance of any or all of the Guaranteed Obligation, either with or without notice to or consent of Guarantor, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Lender to Borrower or Guarantor from time to time;
- (g) any neglect, delay, omission, failure, or refusal of Lender to take or prosecute any action for the collection or enforcement of any of the Guaranteed Obligation or to foreclose or take or prosecute any action to foreclose upon any security therefor or to take or prosecute any action in connection with any Loan Document;

(h) any failure of Lender to notify Guarantor of any creation, renewal, extension, rearrangement, modification or assignment of the Guaranteed Obligation or any part thereof, or of any Loan Document, or of any release of or change in any security or of any other action taken or refrained from being taken by Lender against Borrower or any security or other recourse or of any new agreement between Lender and Borrower, it being understood that Lender shall not be required to give Guarantor any notice of any kind under any circumstances with respect to or in connection with the Guaranteed Obligation;

(i) the unenforceability of all or any part of the Guaranteed Obligation against Borrower, whether because the Guaranteed Obligation exceeds the amount permitted by law or violates any usury law, the act of creating the Guaranteed Obligation, or any part thereof, is ultra vires, the officers or persons creating same acted in excess of their authority, Borrower has any valid defense, claim or offset with respect thereto, or otherwise, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other person be found not liable on the Guaranteed Obligation, or any part thereof, for any reason;

(j) any payment by Borrower or any other Guarantor to Lender is held to constitute a preference under the bankruptcy laws or if for any other reason Lender is required to refund such payment or pay the amount thereof to someone else; or

(k) the construction of the Project by Lender on its own behalf or on the account of Borrower in accordance with the Loan Documents.

It is the intent of Guarantor and Lender that the obligations and liabilities of Guarantor hereunder are absolute and unconditional under any and all circumstances and that until the Guaranteed Obligation or all amounts required to be paid by Guarantor under this Guaranty are fully and finally paid and performed, such obligations and liabilities shall not be discharged or released, in whole or in part, by any act or occurrence which might, but for the provisions of this Guaranty, be deemed a legal or equitable discharge or release of a guarantor.

6. Subordination; Subrogation. If, for any reason whatsoever, Borrower is now or hereafter becomes indebted to Guarantor:

(a) such indebtedness and all interest thereon and all liens, security interests and rights now or hereafter existing with respect to property of Borrower securing same shall, at all times, be subordinate in all respects to the Guaranteed Obligation and to all liens, security interests and rights now or hereafter existing to secure the Guaranteed Obligation. Notwithstanding anything to the contrary contained in this Guaranty or any payments made by any party hereunder, until the Guaranteed Obligation is paid in full and no longer subject to being recovered or set aside, Guarantor hereby permanently and irrevocably waives any right of subrogation in or under any of the Loan Documents or to participate in any way therein, or in any right, title or interest in and to any security or right of recourse for the Guaranteed Obligation;

(b) after the occurrence of a default (whether or not declared, but if not declared, only if Guarantor has actual knowledge of the occurrence of such default) under any of the Loan Documents, Guarantor shall not be entitled to enforce or receive payment, directly or

indirectly, of any such indebtedness of Borrower to Guarantor until the Guaranteed Obligation has been fully and finally paid and performed;

(c) Guarantor hereby assigns and grants to Lender a security interest, as security for the Guaranteed Obligation, in all such indebtedness and security therefor, if any, of Borrower to Guarantor now existing or hereafter arising, including any dividends and payments pursuant to debtor relief or insolvency proceedings referred to below. In the event of receivership, bankruptcy, reorganization, arrangement or other debtor relief or insolvency proceedings involving Borrower as debtor, Lender shall have the right to prove Lender's claim in any such proceeding so as to establish Lender's rights hereunder and shall have the right to receive directly from the receiver, trustee or other custodian (whether or not a default shall have occurred or be continuing under any of the Loan Documents), dividends and payments which are payable upon any obligation of Borrower to Guarantor now existing or hereafter arising, and to have all benefits of any security therefor, until the Guaranteed Obligation has been fully and finally paid and performed. If, notwithstanding the foregoing provisions, Guarantor should receive any payment, claim or distribution which is prohibited as provided above in this Section 6, Guarantor shall pay the same to Lender, immediately, Guarantor hereby agreeing that Guarantor shall receive the payment, claim or distribution in trust for Lender and shall have absolutely no dominion over the same except to pay it immediately to Lender; and

(d) Guarantor shall promptly upon request of Lender from time to time execute such documents and perform such acts as Lender may require to evidence and perfect its interest and to permit or facilitate exercise of Lender's rights under this Section, including but not limited to execution and delivery of financing statements, proofs of claim, further assignments and security agreements, and delivery to Lender of any promissory notes or other instruments evidencing indebtedness of Borrower to Guarantor. All promissory notes, accounts receivable ledgers or other evidences, now or hereafter held by Guarantor, of obligations of Borrower to Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under and is subject to the terms of this Guaranty.

Nothing herein contained shall operate as a release or discharge, in whole or in part, of any claim of Guarantor against Borrower, by subrogation or otherwise, by reason of any act done or payment made by Guarantor pursuant to the provisions of this Guaranty; but all such claims, including claims for any indebtedness of Borrower to Guarantor, whether now existing or hereafter arising, shall be subordinate to the Guaranteed Obligation and the liens, security interests and rights of Lender under the Loan Documents.

7. Other Liability of Guarantor or Borrower. If Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. If Borrower is or becomes indebted to Lender for other than the Indebtedness, any payment received or recovery realized upon any indebtedness of Borrower to Lender may, except to the extent paid by Guarantor on the Indebtedness or specifically required by law or agreement (including, without limitation, the Loan Agreement) of Lender, be applied to the Indebtedness.

8. Lender's Successors and Assigns. This Guaranty is for the benefit of Lender and its successors and assigns, and in the event of an assignment of the Indebtedness or any part thereof, the rights and benefits hereunder, to the extent applicable to the Indebtedness so assigned, may be transferred with such Indebtedness. Guarantor waives notice of any transfer or assignment of the Indebtedness, or any part thereof, and agrees that failure to give notice will not affect the liabilities of Guarantor hereunder.

9. Binding Effect. This Guaranty is binding not only on Guarantor, but on Guarantor's estate, heirs, personal representatives, successors and assigns. Upon the death of any of the undersigned, this Guaranty shall continue against his estate and against all survivors among the undersigned as to all of the Guaranteed Obligations, including that portion incurred or arising after such death. If this Guaranty is signed by more than one person, then all of the obligations of Guarantor arising herein shall be jointly and severally binding on the undersigned, and his heirs, personal representatives, successors and assigns, and the term "Guarantor" shall mean all such persons and each of them individually. Words importing persons herein shall include firms, associations, partnerships (including limited partnerships), joint ventures, trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

10. Invalid Provisions. If any provision of this Guaranty or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Guaranty nor the application of such provision to any other person or circumstance shall be affected thereby, but rather the same shall be enforced to the greatest extent permitted by law.

11. Attorney's Fees and Costs of Collection. Guarantor shall pay on demand the reasonable attorney's fees and all other costs and expenses which may be incurred by Lender in the enforcement of or preservation of Lender's rights under this Guaranty, which covenant shall survive any payment or discharge in full of the Indebtedness.

12. Payments. All sums payable under this Guaranty shall be paid in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

13. Controlling Agreement. It is not the intention of Lender or Guarantor to obligate Guarantor to pay interest in excess of that legally permitted to be paid by Guarantor under applicable law. Should it be determined that any portion of the Guaranteed Obligation constitutes interest in excess of the maximum amount of interest which Guarantor (in such capacity) may lawfully be required to pay under applicable law, the obligation of Guarantor to pay such interest shall automatically be limited to the payment thereof in the maximum amount so permitted under applicable law. The provisions of this Section shall override and control all other provisions of this Guaranty and of any other agreement between Guarantor and Lender.

14. Warranties and Representations of Guarantor. Guarantor hereby represents and warrants that (a) Guarantor directly or indirectly owns an interest in Borrower and that this Guaranty may reasonably be expected to benefit Guarantor, in an amount not less than the

amount guaranteed hereunder; (b) this Guaranty is valid and is binding upon Guarantor; (c) Guarantor is not, and the execution, delivery and performance by Guarantor of this Guaranty will not cause Guarantor to be, in violation of or in default with respect to any law or in default (or provide cause for acceleration of indebtedness) under any agreement or restriction by which Guarantor is bound or affected; (d) except as expressly disclosed in writing to Lender, there is no action, suit or proceeding pending or to the knowledge of Guarantor threatened before or by any court or governmental authority against or affecting Guarantor which constitutes a material adverse effect on the financial condition of Guarantor or Guarantor's ability to fulfill its obligations under this Guaranty; (e) all financial statements and information heretofore furnished to Lender by Guarantor do, and all financial statements and information hereafter furnished to Lender by Guarantor will, fully and accurately in all material respects present the financial condition of Guarantor as of the dates therein, and, since the date of the most recent financial statements of Guarantor heretofore furnished to Lender, no material adverse effect has occurred with respect to the financial condition of Guarantor, nor, except as heretofore disclosed in writing to Lender, has Guarantor incurred any material liability, direct or indirect, fixed or contingent; (f) after giving effect to this Guaranty, Guarantor is solvent; (g) Lender has no duty at any time to investigate or inform Guarantor of the financial or business condition or affairs of Borrower, or any change therein; and (h) Guarantor acknowledges and agrees that Guarantor may be required to pay and perform the Guaranteed Obligation in full, subject to Section 2 hereof, without assistance or support from Borrower or any other party. Guarantor's representations and warranties are a material inducement to Lender to enter into the other Loan Documents and shall survive the execution hereof and any bankruptcy, foreclosure, transfer of security or other event affecting Borrower, Guarantor, or any security for the Indebtedness.

15. Notices and Communications. All notices and other communications hereunder shall be in writing and shall be effective when sent by certified or registered mail, return receipt requested, or by overnight courier: (a) if to Guarantor, at the address set forth on the signature page of Guarantor, or at such other address as Guarantor shall have furnished to Lender, or (b) if to the Lender, addressed to 2340 Woodcrest Place, Birmingham, Alabama 35209, Attention: Donnie Dobbins, or at such other address as Lender shall have furnished to the Guarantor.

16. Consent to Jurisdiction, Waiver of Jury Trial.

(a) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR GUARANTOR ARISING OUT OF OR RELATING TO THIS GUARANTY OR ANY OTHER LOAN DOCUMENT MAY AT THE LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE STATE OF ALABAMA, AND GUARANTOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON THE VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING. FINAL JUDGMENT IN ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT SHALL BE CONCLUSIVE AND BINDING UPON GUARANTOR AND MAY BE ENFORCED IN ANY COURT TO THE JURISDICTION OF WHICH GUARANTOR IS SUBJECT, BY A SUIT UPON SUCH JUDGMENT, PROVIDED THAT SERVICE OF PROCESS IS EFFECTED UPON GUARANTOR IN ONE OF THE

MANNERS SPECIFIED IN THIS SECTION 16 OR AS OTHERWISE PERMITTED BY LAW. NOTHING IN THIS SECTION 16 SHALL AFFECT THE RIGHT OF LENDER OTHERWISE TO BRING PROCEEDINGS AGAINST GUARANTOR IN THE COURTS OF ANY JURISDICTION OR JURISDICTIONS.

(b) GUARANTOR AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY OR ANY OTHER LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY OR ANY EXERCISE BY ANY PARTY OF THEIR RESPECTIVE RIGHTS UNDER THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR IN ANY WAY RELATING TO THIS GUARANTY, THE LOAN OR THE PROJECT (INCLUDING, WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT, AND ANY CLAIM OR DEFENSE ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE LENDER TO EXTEND THE LOAN.

(c) Guarantor hereby consents to process being served in any suit, action or proceeding of the nature referred to in this Section 16 by (i) the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to Guarantor at its or his address designated in or pursuant to Section 15 hereof and (ii) serving a copy thereof upon the agent, if any, designated and appointed by such Guarantor as its or his agent for service of process by or pursuant to this Section 16. Guarantor irrevocably agrees that such service (i) shall be deemed in every respect effective service of process upon Guarantor in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon Guarantor. Nothing in this Section 16 shall affect the right of the Lender to serve process in any manner otherwise permitted by law or limit the right of the Lender otherwise to bring proceedings against Guarantor in the courts of any jurisdiction or jurisdictions.

17. Cumulative Rights, etc. The exercise by Lender of any right or remedy hereunder or under any other Loan Document, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. Lender shall have all rights, remedies and recourses afforded to Lender by reason of this Guaranty or any other Loan Document or by law or equity or otherwise, and the same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Guarantor or others obligated for the Guaranteed Obligation, or any part thereof, or against any one or more of them, or against any security or otherwise, at the sole discretion of Lender, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Guarantor that the exercise, discontinuance of the exercise of or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse, and (d) are intended to be, and shall be, nonexclusive. No waiver of any default on the part of Guarantor, or of any breach of any of the provisions of this Guaranty or of any other document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers

granted herein or in any other document shall be construed as a waiver of such rights and powers, and likewise no exercise or enforcement of any rights or powers hereunder or under any other document shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. The granting of any consent, approval or waiver by Lender shall be limited to the specific instance and purpose and shall not constitute consent or approval in any other instance or for any other purpose. No notice to nor demand on Guarantor, in any case shall of itself entitle Guarantor, to any other or further notice or demand in similar or other circumstances. No provision of this Guaranty nor any right, remedy or recourse of Lender with respect hereto, nor any default or breach, can be waived, nor can this Guaranty or Guarantor be released or discharged in any way or to any extent, except specifically by a writing intended for that purpose (referring specifically to this Guaranty) executed by Lender.

18. Term of Guaranty. This Guaranty shall continue in full force and effect until Guarantor or Borrower has fully and finally paid all amounts (including, without limitation, the Indebtedness described in Section 2 hereof) and performed all obligations (including, without limitation, all obligations described in Section 3 hereof) required to be paid or performed by Guarantor under this Guaranty. Notwithstanding anything to the contrary contained in this Section or elsewhere in this Guaranty or in any other Loan Document, (a) if pursuant to any bankruptcy, insolvency or other debtor relief law or any order or decision thereunder Lender must rescind or restore any payment or part thereof received by Lender in satisfaction of the Indebtedness or any part thereof, the term "Indebtedness" as used herein includes such payment to the extent rescinded or restored, and, to the extent of the payment rescinded or restored, any prior return, cancellation, release or discharge by Lender of this Guaranty or of Guarantor shall be without effect and this Guaranty shall remain in full force and effect notwithstanding such return, cancellation, release or discharge, and (b) if any indemnification indebtedness is incurred pursuant to any indemnity contained in any Loan Document, the term "Indebtedness" as used herein includes such indemnification indebtedness, and, to the extent of such indemnification indebtedness, any prior return, cancellation, release or discharge by Lender of this Guaranty or of Guarantor shall be without effect and this Guaranty shall remain in full force and effect notwithstanding such return, cancellation, release or discharge.

19. Financial Reporting.

(a) The Entity Guarantor shall furnish to Lender:

(i) within one hundred twenty (120) days after the end of its fiscal year (being December 31 in each year), the balance sheet of the Entity Guarantor and its Affiliates as of the end of such year and the related statements of income and changes in financial position of the Entity Guarantor for such fiscal year, together with supporting schedules, all on a comparative basis with the prior fiscal year, in reasonable detail, prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved, and audited and certified by independent certified public accountants of recognized standing selected by Guarantor and satisfactory to Lender (the form of such certification also to be satisfactory to Lender), showing the financial condition, assets, liabilities and owners' equity of Guarantor at the close of such year and the results of the operations of the Entity Guarantor during such year;

(ii) within forty-five (45) days after the end of the first three fiscal quarters in each fiscal year, financial statements similar to those referred to in subsection (i), unaudited but certified by the chief financial officer of the Entity Guarantor, such balance sheet to be as of the end of each such quarter and such statement of income and changes in financial position to be for the period from the beginning of the fiscal year to the end of such quarter, in each case subject to audit and to year-end adjustments;

(iii) annually, within thirty (30) days of filing, a copy of the federal income tax return of the Entity Guarantor and its Affiliates for the prior fiscal year; and

(iv) as soon as practical, from time to time, such other information regarding the operations, business affairs and financial condition of Guarantor as Lender may reasonably request.

(b) The Individual Guarantor shall furnish to Lender:

(i) at least every thirteen (13) months (within thirty (30) days of the most recent statement), the personal financial statement of the Individual Guarantor for such year prepared in accordance with the books and records of the Individual Guarantor;

(ii) annually, within thirty (30) days of filing, a copy of the federal income tax return of the Individual Guarantor for the prior fiscal year; and

(iii) as soon as practical, from time to time, such other information regarding the financial condition of Guarantor as Lender may reasonably request.

20. Participations. Guarantor acknowledges and agrees that Lender may, from time to time, sell or offer to sell interests in the Loan to one or more assignees or participants pursuant to the terms of Section 7.10 of the Loan Agreement.

21. Gender; Titles; Construction. Within this Guaranty, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. Titles appearing at the beginning of any subdivisions hereof are for convenience only, do not constitute any part of such subdivisions, and shall be disregarded in construing the language contained in such subdivisions. The use of the words "herein," "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Guaranty and not to any particular section, paragraph or provision.

22. Time of Essence. Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

23. Execution. This Guaranty may be executed in multiple counterparts, each of which, for all purposes, shall be deemed an original, and all of which together shall constitute one and the same agreement; and if the term "Guarantor" includes more than one person, the failure of any one or more such persons to execute a counterpart thereof shall not impair or affect the enforceability of this Guaranty against any person who does sign this Guaranty.

24. Drafted Jointly. The parties have participated jointly in the negotiation and drafting of this Guaranty. In the event an ambiguity or question of intent or interpretation arises, there shall be no presumption or burden of proof which arises favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Guaranty.

25. Governing Law. This Guaranty shall be construed in accordance with and governed by the laws of the State of Alabama.

THE WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed by its respective duly authorized representative or have set their hand and seal as of the date first above written.

Premier Kings of Georgia, Inc.

By: 

Name: Manraj Sidhu

Title: President

STATE OF ALABAMA)

Montgomery COUNTY)

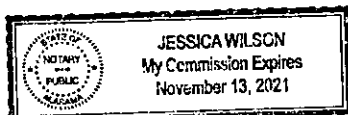
I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Manraj Sidhu, whose name as President of Premier Kings of Georgia, Inc., a Georgia corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 1st day of March, 2019.


Notary Public

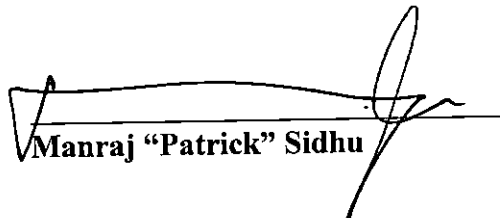
AFFIX SEAL

My commission expires: _____



Address for Notices:

Premier Kings, Inc.
3300 Eastern Blvd.
Montgomery, AL 36116

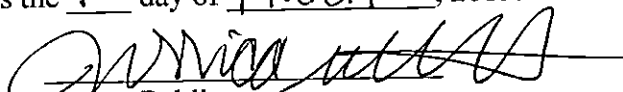

 Manraj "Patrick" Sidhu

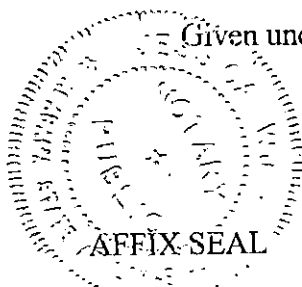
STATE OF ALABAMA)

Montgomery COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Manraj "Patrick" Sidhu, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, executed the same voluntarily as of the day the same bears date.

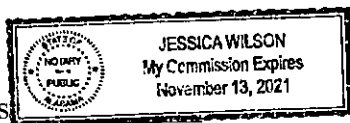
Given under my hand and official seal this the 1st day of March, 2019.


 Notary Public



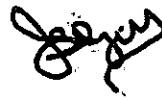
AFFIX SEAL

My commission expires



Address for Notices:

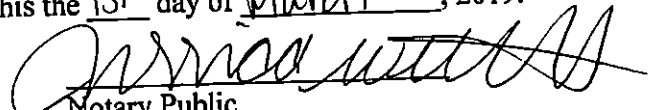
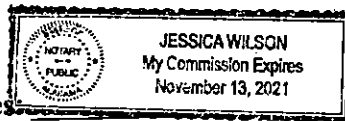
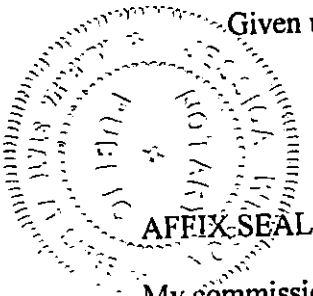
Manraj "Patrick" Sidhu
 3300 Eastern Blvd.
 Montgomery, AL 36116



Jaipal Gill
STATE OF Alabama)Montgomery COUNTY)


I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Jaipal Gill, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, executed the same voluntarily as of the day the same bears date.

Given under my hand and official seal this the 1st day of March, 2019.


 Notary Public


My commission expires:

Address for Notices:

Jaipal Gill 
3300 Eastern Blvd
Montgomery, AL 36116