

Prepared by:  
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Suite 2000  
165 Madison Avenue  
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**FORBEARANCE, CROSS-COLLATERALIZATION, CROSS-DEFAULT AND DEED  
OF TRUST MODIFICATION AGREEMENT**

By and between

WILLIAM PAUL HALE  
2641 Dickens Place Drive  
Southaven, Mississippi 38671

HALE ELECTRICAL CONTRACTORS, INC.  
5228 Hacks Cross Road  
Olive Branch, Mississippi 38654

And

FIRST TENNESSEE BANK NATIONAL ASSOCIATION  
165 Madison Avenue  
Memphis, Tennessee 38103

Indexing Instruction:

This document is a modification for the following instruments recorded in the office of the  
Chancery Clerk of DeSoto County, Mississippi

Book 2,189 Page 266  
Book 2,264 Page 272  
Book 2,421 Page 797 mod of  
Book 2,486 Page 700 mod of  
Book 114 Page 794 mod of  
P Book 107 Page 733  
Book 2,189 Page 273

Book 2,486 Page 698 Mod DJ  
Book 114 Page 791 Mod DJ  
p Book 107 Page 738  
p Book 109 Page 578  
Book 2,414 Page 21  
Book 2,486 Page 702 Mod DJ  
Book 2,522 Page 218 Mod DJ  
Book 2,522 Page 210

Indexing Instructions:

Desoto County, Mississippi

Prepared by and  
when recorded return to:  
R. Spencer Clift, III, Esq.  
Baker, Donelson, Bearman, Caldwell, & Berkowitz, PC  
Suite 2000  
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**FORBEARANCE, CROSS-COLLATERALIZATION, CROSS-DEFAULT,  
AND DEED OF TRUST MODIFICATION AGREEMENT**

**THIS FORBEARANCE, CROSS-COLLATERALIZATION, CROSS-DEFAULT AND DEED OF TRUST MODIFICATION AGREEMENT** (the "Agreement"), is effective as of this 25 day of January, 2007 (the "Effective Date"), by and among **First Tennessee Bank National Association** (the "Lender"), **William Paul Hale** ("Hale") and **Hale Electrical Contractors, Inc.** ("Hale Electrical", and, together with Hale, collectively, the "Borrowers").

**Recitals**

A. Hale is indebted to Lender for a loan in the original principal amount of \$2,000,000.00 ("Loan I") pursuant to the terms of that certain Business Loan Agreement dated March 28, 2005 and that certain Construction Loan Agreement dated March 28, 2005, by and between Lender and Hale (collectively "Loan Agreement I"). Loan I is evidenced by that certain Promissory Note dated March 28, 2005, in the original principal amount of \$2,000,000.00, made by Hale payable to the order of Lender ("Note I") with a maturity date of March 28, 2010. Loan I was modified by that certain Change in Terms Agreement dated December 27, 2005, wherein the principal amount of indebtedness was increased to \$2,200,000.00.

B. As of the Effective Date, the amount due and owing under Note I was \$2,222,418.06, which consists of unpaid principal of \$2,200,000.00, accrued interest of \$19,418.06, and late charges of \$3,000.00 (collectively, the "Note I Indebtedness"). Hale also is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note I Indebtedness, collectively, the "Note I Obligations").

C. All Note I Obligations are secured pursuant to, among other things, (i) that certain Deed of Trust by and among Hale, Lender, and Thomas F. Baker, IV as Trustee, dated March 28, 2005, of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,189, Page 266, as amended by that certain Corrected Deed of Trust of record in the DeSoto County, Mississippi Chancery Court Clerk's office in Book 2,264, Page 272, as modified by that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,421, Page 797, as modified by that certain Modification of Deed of

Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,486, Page 700, and as modified by that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 114, Page 794, (collectively, the "Deed of Trust I"), (ii) that certain Assignment of Rents by and between Hale and Lender dated March 28, 2005, of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 107, Page 733 (the "Assignment of Rents I"), (iii) that certain Commercial Security Agreement dated March 28, 2005 (the "Loan I Security Agreement") which grants to Lender a lien and security interest in certain personal property and collateral described therein (the "Loan I Collateral"), and (iv) that certain Financing Statement (the "Loan I Financing Statement") describing Lender's security interest in certain property owned by Hale of record in the DeSoto County, Mississippi, Chancery Court Clerk's office. Under Deed of Trust I, Hale granted Lender a lien in and to that certain real property more particularly described in Exhibit A attached hereto and made a part hereof (the "Real Property A"). Under the Assignment of Rents I, Hale assigned to Lender all "Rents" as defined therein relating to Real Property A. Under the Loan I Security Agreement and Loan I Financing Statement, Lender is the holder of a perfected lien on certain personal property owned by Hale as described therein.

D. Loan Agreement I, Note I, Deed of Trust I, Assignment of Rents I, Loan I Security Agreement, and Loan I Financing Statement, together with all other documents evidencing, referring or relating to the Loan I and all modifications and amendments thereto, are herein referred to collectively as the "Loan I Documents."

E. Hale is indebted to Lender for a loan in the original principal amount of \$247,500.00 ("Loan II") pursuant to the terms of that certain Business Loan Agreement dated March 28, 2005, by and between Lender and Hale ("Loan Agreement II"). Loan II is evidenced by that certain Promissory Note dated March 28, 2005, in the original principal amount of \$247,500.00, made by Hale payable to the order of Lender ("Note II"). Loan II was modified pursuant to that certain Change in Terms Agreement dated May 25, 2006, wherein the maturity date was modified from March 28, 2007, to December 31, 2006.

F. As of the Effective Date, the amount due and owing under Note II was \$249,535.81, which consists of unpaid principal of \$247,000.00, accrued interest of \$1,967.39, and late charges of \$568.42 (collectively, the "Note II Indebtedness"). Hale also is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note II Indebtedness, collectively, the "Note II Obligations").

G. All Loan II Obligations are secured pursuant to, among other things, (i) that certain Deed of Trust by and among Hale, Lender, and Thomas F. Baker, IV as Trustee, dated March 28, 2005, of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,189, Page 273, as modified by that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,486, Page 698, and as modified by that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 114, Page 791 (collectively, "Deed of Trust II"), (ii) that certain Assignment of Rents by and between Hale and Lender dated March 28, 2005, of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 107,

Page 738, as modified by that certain Corrected Assignment of Rents of record in the DeSoto County, Mississippi Chancery Court Clerk's office in Book 109, Page 578 (the "Assignment of Rents II"). Under Deed of Trust II, Hale granted Lender a lien and deed of trust in and to that certain real property more particularly described in Exhibit B attached hereto and made a part hereof (the "Real Property B"). Under the Assignment of Rents II, Hale assigned to Lender all "Rents" as defined therein relating to the Real Property B.

H. Loan Agreement II, Note II, Deed of Trust II, and Assignment of Rents II, together with all other documents evidencing, referring or relating to the Loan II and all modifications and amendments thereto, are herein referred to collectively as the "Loan II Documents."

I. Hale is indebted to Lender for a loan in the original principal amount of \$250,000.00 ("Loan III") pursuant to the terms of that certain Business Loan Agreement dated December 30, 2005, by and between Lender and Hale ("Loan Agreement III"). Loan III is evidenced by that certain Promissory Note in the original amount of \$250,000.00 dated December 30, 2005 ("Note III"). Loan III was modified by that certain Change in Terms Agreement dated May 25, 2006, wherein the maturity date was modified from June 30, 2006, to December 31, 2006.

J. As of the Effective Date, the amount due and owing under Note III was \$252,387.86, which consists of unpaid principal of \$250,000.00, accrued interest of \$1991.33, and late charges of \$396.53 (collectively, the "Note III Indebtedness"). Hale also is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale's obligations to Lender, including without limitation, attorneys' fees and other costs of collection. (together with the Note III Indebtedness, collectively, the "Note III Obligations").

K. All Note III Obligations are secured pursuant to, among other things, (i) that certain Deed of Trust by and among Hale, Lender, and Thomas F. Baker, IV as Trustee, dated December 30, 2005, of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,414, Page 21, as modified by that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,486, Page 702 and that certain Modification of Deed of Trust of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,522, Page 218 (collectively "Deed of Trust III"). Under Deed of Trust III, Hale granted Lender a lien in and to Real Property A.

L. Loan Agreement III, Note III, and Deed of Trust III, together with all other documents evidencing, referring or relating to the Loan III and all modifications and amendments thereto, are herein referred to collectively as the "Loan III Documents."

M. Hale is indebted to Lender for a loan in the original principal amount of \$200,000.00 ("Loan IV") pursuant to the terms of that certain Business Loan Agreement dated June 2, 2006, by and between Lender and Hale ("Loan Agreement IV"). Loan IV is evidenced by that certain Promissory Note in the original amount of \$200,000.00 dated June 6, 2006, payable to Lender with a maturity date of December 31, 2006 ("Note IV").

N. As of the Effective Date, the amount due and owing under Note IV was \$210,166.42 which consists of unpaid principal of \$200,000.00 and accrued interest of \$10,166.62 (collectively, the "Note IV Indebtedness"). Hale also is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note IV Indebtedness, collectively, the "Note IV Obligations").

O. All Note IV Obligations are secured pursuant to, among other things, that certain Deed of Trust executed by and among Hale, Lender, and Thomas F. Baker, IV, as Trustee dated June 6, 2006 of record in the DeSoto County, Mississippi, Chancery Court Clerk's office in Book 2,522, Page 210, ("Deed of Trust IV"). Under Deed of Trust IV, Hale granted Lender a lien in and to Real Property A.

P. Loan Agreement IV, Note IV, and Deed of Trust IV, together with all other documents evidencing, referring or relating to the Loan IV and all modifications and amendments thereto, are herein referred to collectively as the "Loan IV Documents."

Q. Hale Electrical is indebted to Lender for a loan in the original principal amount of \$136,000.00 ("Loan V") pursuant to the terms of that certain Business Loan Agreement dated September 27, 2005, by and between Lender and Hale Electrical ("Loan Agreement V"). Loan V is evidenced by that certain Promissory Note in the original amount of \$136,000.00 dated September 27, 2005, ("Note V").

R. As of the Effective Date, the amount due and owing under Note V was \$111,447.43, which consists of unpaid principal of \$109,555.54, interest in the amount of \$1,500.06 and late charges of \$391.83 (the "Note V Indebtedness"). Hale Electrical is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale Electrical's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note V Indebtedness, collectively, the "Note V Obligations").

S. Hale absolutely and unconditionally guaranteed and promised to pay the Note V Obligations pursuant to that certain Commercial Guaranty (the "Note V Commercial Guaranty") executed by Hale on September 27, 2005.

T. All Note V Obligations are secured pursuant to, among other things, that certain Commercial Security Agreement by and between Lender and Hale Electrical dated September 27, 2005 (the "Loan V Security Agreement") which grants to Lender a lien and security interest in certain personal property and collateral described therein, including without limitation (collectively, the "Loan V Collateral") a duly perfected lien on a 2004 Ford F77 CB (VIN #FRXF76S14V678674) with Versalift VST6000-MHI Serial # GJ030004 and Dakota 152-LB Body Serial #CB05921, as well as the other personal property and other collateral described therein. Lender perfected its security interest in all Loan V Collateral as evidenced by a UCC-1 Financing Statement recorded with the Mississippi Secretary of State (the "Loan V Financing Statement").

U. Loan Agreement V, Note V, Note V Commercial Guaranty, Loan V Security Agreement, and Loan V Financing Statement together with all other documents evidencing,

referring or relating to the Loan V and all modifications and amendments thereto, are herein referred to collectively as the "Loan V Documents."

V. Hale Electrical is indebted to Lender for a loan in the original principal amount of \$250,000.00 ("Loan VI") pursuant to the terms of that certain Business Loan Agreement dated February 14, 2006, by and between Lender and Hale Electrical ("Loan Agreement VI"). Loan VI is evidenced by that certain Promissory Note in the original amount of \$250,000.00 dated February 14, 2006 ("Note VI").

W. As of the Effective Date, the amount due and owing under Note VI was \$248,972.20, which consists of unpaid principal of \$245,817.57, and interest in the amount of \$3,154.63 (collectively, the "Note VI Indebtedness"). Hale Electrical is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale Electrical's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note VI Indebtedness, collectively, the "Note VI Obligations").

X. Hale absolutely and unconditionally guaranteed and promised to pay the Note VI Obligations pursuant to a Commercial Guaranty (the "Note VI Commercial Guaranty") executed by Hale on February 14, 2006.

Y. All Note VI Obligations are secured pursuant to, among other things, a duly perfected lien on personal property and other collateral (collectively, the "Loan VI Collateral") described in a Commercial Security Agreement dated February 14, 2006 (the "Loan VI Security Agreement"). Lender perfected its security interest in all Loan VI Collateral as evidenced by a UCC-1 Financing Statement with the Mississippi Secretary of State (the "Loan VI Financing Statement").

Z. Loan Agreement VI, Note VI, Note VI Commercial Guaranty, Loan VI Security Agreement, and Loan VI Financing Statement, together with all other documents evidencing, referring or relating to the Loan V and all modifications and amendments thereto, are herein referred to collectively as the "Loan VI Documents."

AA. Hale Electrical is indebted to Lender for a loan in the original principal amount of \$127,000.00 ("Loan VII") pursuant to the terms of that certain Business Loan Agreement dated May 23, 2006, by and between Lender and Hale Electrical ("Loan Agreement VII"). Loan VII is evidenced by that certain Promissory Note in the original amount of \$127,000.00 dated May 23, 2006, ("Note VII").

BB. As of the Effective Date, the amount due and owing under Note VII was \$128,717.26, which consists of unpaid principal of \$126,153.33, interest in the amount of \$2,166.68, and late charges of \$397.25 (collectively, the "Note VII Indebtedness"). Hale Electrical is obligated to reimburse Lender for the costs and expenses incurred by Lender in connection with Hale Electrical's obligations to Lender, including without limitation, attorneys' fees and other costs of collection (together with the Note VII Indebtedness, collectively, the "Note VII Obligations").

CC. Hale absolutely and unconditionally guaranteed and promised to pay the indebtedness evidenced in the Note VII Obligations pursuant to that certain Commercial Guaranty (the "Note VII Commercial Guaranty") executed by Hale on May 23, 2006.

DD. All Note VII Obligations are secured pursuant to, among other things, a duly perfected lien on personal property and other collateral (the "Loan VII Collateral") described in that certain Commercial Security Agreement dated May 23, 2006 (the "Loan VII Security Agreement"). Lender perfected its security interest in all Loan VII Collateral as evidenced by a UCC-1 Financing Statement with the Mississippi Secretary of State (the "Loan VII Financing Statement").

EE. Loan Agreement VII, Note VII, Note VII Commercial Guaranty, Loan VII Security Agreement, and Loan VII Financing Statement together with all other documents evidencing, referring or relating to the Loan V and all modifications and amendments thereto, are herein referred to collectively as the "Loan VII Documents."

FF. Loan I, Loan II, Loan III and Loan IV are referred to herein, collectively, as the "Hale Loans." Loan I Documents, Loan II Documents, Loan III Documents and Loan IV Documents are referred to herein, collectively, as the "Hale Loan Documents." Loan V, Loan VI and Loan VII are referred to herein, collectively, as the "Hale Electrical Loans." Loan V Documents, Loan VI Documents, and Loan VII Documents are referred to herein, collectively, as the "Hale Electrical Loan Documents."

GG. The Hale Loans and the Hale Electrical Loans are referred to herein, collectively, as the "Loans." The Hale Loan Documents and the Hale Electrical Loan Documents" are referred to herein, collectively, as the "Loan Documents."

HH. The Loan I Obligations, Loan II Obligations, Loan III Obligations and Loan IV Obligations are referred to herein, collectively, as the "Hale Obligations." The Loan V Obligations, Loan VI Obligations, and Loan VII Obligations are referred to herein, collectively, as the "Hale Electrical Obligations." The Hale Obligations and Hale Electrical Obligations are referred to herein as, collectively as the "Obligations." Note I, Note II, Note III, Note IV, Note V, Note VI, and Note VII are referred to herein, collectively, as the "Notes."

II. Deed of Trust I, Deed of Trust II, Deed of Trust III, and Deed of Trust IV are hereinafter referred to collectively as the "Deeds of Trust." All real and personal property (including, without limitation, the Deeds of Trust and Loan I Collateral) and other property pledged to Lender by Hale to secure the Hale Loans under the Hale Loan Documents is hereinafter referred to collectively as the "Hale Loan Collateral." All personal property (including, without limitation, the Loan V Collateral, Loan VI Collateral, and Loan VII Collateral) and other property pledged to Lender by Hale Electrical to secure the Hale Electrical Loans under the Hale Electrical Loan Documents is hereinafter referred to collectively as the "Hale Electrical Loan Collateral." The Hale Loan Collateral and the Hale Electrical Collateral is referred to herein, collectively, as the "Collateral." All real property referenced in the Deeds of Trust, including without limitation Real Property A and Real Property B, is hereinafter referred to collectively as the "Real Property." All terms not defined herein shall have the meaning ascribed to those terms in the Loan Documents.

JJ. Hale and Hale Electrical are related to each other by ownership, therefore, Hale has materially benefited by the Hale Electrical Loans, and Hale Electrical has benefited by the Hale Loans.

KK. Various Events of Default have occurred and are continuing under the Loan Documents, including without limitation, the failure of the Borrowers to make payments of principal and interest when due under the Notes, and the failure of Hale to pay the Note I Obligations, Note II Obligations, Note III Obligations, and Note IV Obligations when Note I, Note II, Note III, and Note IV matured (collectively, the "Existing Defaults"). Furthermore, Borrowers' banking accounts with Lender are overdrawn, and Borrowers do not have sufficient funds in the accounts to satisfy draws being made on the accounts (collectively, the "Existing Overdrafts"). As a result of the Existing Defaults, Lender has certain rights and remedies under the Loan Documents, including without limitation, foreclosure of its interest in the Collateral and liquidation of same to reduce the Obligations.

MM. Borrowers have requested that Lender forbear from exercising its rights and remedies available to it under the Loan Documents to permit Borrowers the opportunity to secure alternate financing to pay the Obligations in full. Lender is willing to forbear from taking immediate action to collect the Obligations under the terms of the Loan Documents, but only upon the terms and conditions set forth herein, including, without limitation, that all of the Loans be cross-defaulted and cross-collateralized with one another.

### Agreement

**NOW, THEREFORE**, for and in consideration of the foregoing recitals, the covenants herein set forth and confirmed, the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are herein acknowledged, Borrower and Lender agree as of the Effective Date as follows:

- 1. Acknowledgement of Recitals.** Borrowers and Lender acknowledge and agree that the foregoing "Recitals" are true, correct, and complete.
- 2. Acknowledgement of Obligations by Borrowers.** Hale acknowledges and agrees that he is indebted to Lender for repayment of all of the respective Obligations described herein, including all accrued interest, costs, fees (including attorneys' fees) and expenses. Hale Electrical acknowledges and agrees that it is indebted to Lender for repayment of all of the respective Hale Electrical Obligations described herein, including all accrued interest, costs, fees (including attorneys' fees) and expenses. Borrowers hereby reaffirm and ratify the terms of the Loan Documents, as amended herein, and acknowledge that they are enforceable in accordance with their terms.
- 3. Acknowledgment of Security Interests.** Borrowers acknowledge the validity and enforceability of the security interests and deeds of trust granted in favor of Lender under the Loan Documents in and to the Collateral, that the deeds of trust and security interests are properly recorded or perfected, as the case may be, and that Lender holds a first-priority security interest in all of the Collateral. Borrowers agree, at the request of Lender, to execute and consent to the filing of any new or additional security agreements, deeds of trust or UCC-1 financing

statements or any other documents, as Lender may require to perfect or to continue the perfection of such security interests and deeds of trust, consistent with Article 9 of the Uniform Commercial Code and other applicable law.

**4. Acknowledgement of Lack of Defenses.** Borrowers acknowledge that as of the Effective Date each has no defense, counterclaim, offset, cross complaint, claim or demand of any kind or nature whatsoever (collectively, the "Claims") that can be asserted to reduce or eliminate all or any part of its liability to repay any indebtedness to Lender or seek affirmative relief for damages of any kind or nature from Lender, which Claims arise out of or are related to the Loan Documents or, more generally, Borrowers' relationship with Lender. To the extent that any such Claims exist as of the Effective Date, Borrowers acknowledge and agree that they have been fully, forever and irrevocably released pursuant to Paragraph 17 hereto.

**5. Forbearance.**

(a) Lender will forbear from exercising any remedies available to it under the Loan Documents from the Effective Date through and including **May 31, 2007** (the "Forbearance Period") and will not seek collection of the Obligations from Borrowers, except as set forth herein; provided, however, that the Forbearance Period shall terminate and Lender shall be permitted to enforce or exercise any remedies available to it under the Loan Documents if (i) either of the Borrowers materially breaches, defaults, or fails to perform any obligation or agreement contained in this Agreement; (ii) any case or other proceeding is instituted by or against either of the Borrowers under any state or federal law relating to the bankruptcy of debtors, including without limitation, the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*; (iii) any material and substantial default or event of default other than any Existing Defaults occurs under any of the Loan Documents as modified by this Agreement and all of the other documents executed in connection herewith; or (iv) any of the acknowledgments, warranties or representations of Borrowers set forth herein shall be untrue or inaccurate in any material respect as of the date made. Each of the foregoing events is hereinafter referred to as a "Terminable Event."

(b) Subject to the termination set forth in Paragraph 5(a), and unless otherwise agreed to in writing by Lender, the Forbearance Period will terminate at **5:00 p.m. on May 31 2007** (the "Forbearance Termination Date").

**6. Payments During Forbearance Period.**

(a) On or before January 25, 2007, Borrowers shall pay to Lender sufficient funds to cure all Existing Overdrafts.

(b) On or before January 25, 2007, and on the twenty-fifth (25<sup>th</sup>) day of each successive calendar month during the Forbearance Period, Borrowers shall pay to Lender all interest accrued on the outstanding principal balance of each of the Loans at the interest rate set forth in the respective Notes, calculated using a 360 day year and paid for the actual number of days elapsed for any whole or partial month in which interest is being calculated (collectively, the "Interest-Only Payments").

(c) Lender shall apply all payments received during the Forbearance Period against the Obligations. On the Forbearance Termination Date, all Obligations shall be due and payable in full. Notwithstanding anything to the contrary in this Agreement, following the Forbearance Termination Date or upon the occurrence of any Terminable Event, the full amount of monthly principal and interest payments as set forth in the Loan Documents shall immediately resume.

(d) On or before the Forbearance Termination Date, Borrowers shall pay to Lender all outstanding legal fees and expenses incurred by Lender relating to the Loan Documents.

**7. Loan Document Modifications.**

(a) The Loan Documents are hereby amended so that all unpaid principal, accrued interest and other Obligations due under the Notes shall be due and payable in their entirety on May 31, 2007 (the "Maturity Date"). All references in the Loan Documents to Maturity Date are hereby amended to provided that the Maturity Date is May 31, 2007. On the Maturity Date, all Obligations under the Loan Documents shall be due and owing in full.

(b) The Loan Documents are hereby amended to terminate all obligations of Lender thereunder to make or permit further advances (the "Loan Advances") under any of the Loans that include a line of credit or revolving credit facility (each, a "Line of Credit"). Lender hereby caps the Borrowers' availability under any Line of Credit, terminates its obligations to make any further Loan Advances under the Loan Documents and has ceased making any further Loan Advances under the Loan Documents.

**8. Cross-Collateralization.** Each of the Borrowers hereby assumes, guarantees and agrees to be liable for, all of the payment and performance obligations of the other Borrower under such other Borrower's Loan Documents. The Loans are hereby cross-collateralized with one another, and the Borrowers agree that all of the Collateral of every kind described in the Loan Documents, including all Real Property shall secure on a pari passu basis with all other Collateral securing the Loans, the obligations of all of the Borrowers under the Loan Documents, including, without limitation, the obligations of the Borrowers to pay the principal of and interest on all other Loans and to pay all other indebtedness and other agreed charges and to perform all of the terms and conditions under all other Loan Documents, as the same may hereafter be renewed, modified, amended or extended.

**9. Cross-Default.** The Loans are hereby cross-defaulted with one another, and the Borrowers agree that the occurrence of an "Event of Default" (subject to any applicable cure period) pursuant to any of the Loan Documents, which is not cured within any applicable grace or curative periods set forth therein, shall constitute an immediate Event of Default (without need of notice or the expiration of any additional cure period) under all of the Loan Documents.

**10. Deed of Trust Modification.** The Deeds of Trust are hereby amended as follows:

(a) to increase the amount of the indebtedness secured by each of the Deeds of Trust to include the principal of and interest on each of the Notes and all expenses, charges and other amounts due and owing from time to time under any and all of the Loan Document, such that the Loans shall be treated as if they were a single, integrated indebtedness of the Borrowers (the "Combined Obligations");

(b) to provide that the indebtedness is secured by the Deeds of Trust and Real Property;

(c) to provide that if the Combined Obligations of the Borrowers are otherwise subject to avoidance under any Fraudulent Transfer Law (defined below), then the Combined Obligations of the Borrowers shall be limited to the largest amount that would not render the Borrowers' obligations under the Loan Documents, including (without limitation this Agreement), subject to avoidance as a fraudulent transfer or conveyance under such Fraudulent Transfer Law. For purposes of this Agreement, "Fraudulent Transfer Law" means Section 548 of Title 11 of the United States Code or any applicable provisions of comparable state law, including any provisions of the Uniform Fraudulent Conveyance Act or Uniform Fraudulent transfer Act, as adopted under state law; and

(d) to reflect that each Borrower hereby agrees that Deed of Trust I, Deed of Trust II, Deed of Trust III and Deed of Trust IV (individually, a "Deed of Trust" and collectively, the "Deeds of Trust") are each hereby amended to provide that each Deed of Trust shall now secure all of the obligations of all of the Borrowers under all of the Loan Documents. Upon foreclosure of any single Deed of Trust, any excess proceeds remaining after payment of the Loan Obligations of the affected Borrower shall be applied to payment of the indebtedness of the other Borrowers under their respective Loan Documents in such order as the Lender may determine. The Borrowers agree that counterparts of this Agreement may be recorded among the land records where each Deed of Trust is recorded to evidence such amendments.

**11. Conditions Precedent.** As conditions precedent to Lender's obligation to forbear hereunder, Borrowers agree as follows:

(a) Borrowers shall provide to Lender such updated financial information as Lender may require;

(b) Borrowers shall execute this Agreement and any and all additional documents as Lender may require to effect the terms and conditions of this Agreement;

(c) Borrowers shall provide to Lender any and all documents requested by Lender relating to the operation of Borrowers' business;

(d) Borrowers shall pay to Lender an amount to cure the Existing Defaults and Existing Overdrafts; and

(e) As a condition precedent to Lender's agreement to accept the Interest-Only Payments during the Forbearance Period, on or before January 25, 2007, Borrowers shall

pay to Lender all past due payments under the Loans in accordance with the terms of the Loan Documents.

12. **Strict Compliance.** Lender requires strict compliance with the terms of this Agreement and Loan Documents as amended herein, and the terms set forth herein. Should there be any default by any of Borrowers under this Agreement or any default under the Loan Documents other than any Existing Defaults, the Forbearance Period shall terminate immediately with no notice to Borrowers, and Lender may subsequently proceed with liquidation of all the Collateral and the institution of appropriate collection actions. Nothing contained in this Agreement shall be construed to waive any Existing Defaults by Borrowers, or to limit or waive any rights that Lender may have against them as a consequence of such defaults, except as expressly set forth herein. Borrowers acknowledge and agree that anything herein to the contrary notwithstanding, this Agreement is not intended to be, and shall not be deemed or construed to be, a limitation, novation or release of the rights and remedies which Lender has under the UCC or other applicable law or the Loan Documents, respectively, or any of them. Except as otherwise set forth herein, all terms and conditions of the Loan Documents shall remain in full force and effect.

13. **Overdrafts.** Borrowers agree and acknowledge that the Loan Documents prohibit the existence of overdrafts on Borrowers' bank accounts. Lender will not permit Borrowers to have any further overdrafts on Borrowers' bank accounts and will not honor and will return all checks presented for which there are insufficient funds in Borrowers' bank account at the time of presentment. In the event that Lender mistakenly honors a check that is presented for which there are insufficient funds in Borrowers' bank account at the time of presentment, such action by Lender shall not constitute a waiver of Lender's prohibition on overdrafts or any rights or remedies accruing to Lender resulting from such overdraft.

14. **Unconditional Guaranty.** Borrowers hereby jointly and severally and absolutely and unconditionally guarantee to the Lender the full regular and punctual payment and performance of the Obligations within ten (10) days of the Lender's demand therefore. Without limiting the generality of the foregoing, "Obligations" is used herein in its most comprehensive sense to include all debts, obligations and indebtedness described in the Loan Documents, whether now or hereafter made, incurred or created, voluntary or involuntary, due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined and regardless of whether there is any recourse with respect to any portion of such Obligations as against Borrowers or any partner of Borrowers. In addition, Borrowers guarantee the full payment of, and agree to reimburse Lender for, all costs of collection incurred by Lender in enforcing the Obligations and pursuing any remedies set forth in the Loan Documents, including, without limitation, court costs and actual attorneys' fees (including, but not limited to, fees in any bankruptcy or appellate proceeding).

15. **Cooperation Upon Default.** Upon expiration of the Forbearance Period or the occurrence of a Terminable Event, Borrowers agree that Lender shall immediately be entitled to file an action against Borrowers in the Circuit Court of DeSoto County, Mississippi, and Lender shall be entitled to a Consent Order of Judgment in that action as to the outstanding amounts due under the Loans which shall include the outstanding principal which is presently \$3,378,526.44, accrued interest, late fees and attorney's fees and expenses. In conjunction with the execution of

this Agreement, Borrowers will execute a Consent Order of Judgment attached hereto. Contemporaneously with the entry of the Consent Judgment, Lender will file Affidavits establishing the amount of the outstanding principal, accrued interest, late fees, and attorney's fees and expenses which shall be entered on the Consent Judgment. Upon the expiration of the Forbearance Period or the occurrence of a Terminable Event, Borrowers also shall, if requested by Lender, assist Lender in the orderly liquidation of the Collateral, including the liquidation and sale of the Collateral (the "Turnover of Assets"). In implementing the Turnover of Assets, Borrowers agree as follows:

(a) Borrowers will cooperate with Lender in the consensual and orderly liquidation of the Collateral.

(b) Borrowers acknowledge that they have received commercially reasonable, timely, and accurate notice of Lender's intention to take possession of and dispose of the Collateral, and Borrowers agree that such notice satisfies all requirements of notice under the Loan Documents and applicable law. Notwithstanding the foregoing, Borrowers hereby waive all rights to notice they may have been entitled to receive in the past or may be entitled to receive at any time in the future in connection with Lender's foreclosure, possession, sale, liquidation, collection or disposition of the Collateral.

(c) Upon Lender's demand, Borrowers shall put Lender in sole and exclusive possession and control of all the Collateral. Thereafter, Borrowers shall have no right to use, possess, sell, or otherwise deal with the Collateral in any manner whatsoever other than as specifically authorized by Lender, and Borrowers warrant that they will not use, sell, or otherwise dispose of the Collateral. Borrowers agree that, pending the sale or other disposition of the Collateral as contemplated herein, Lender and its designees are authorized and empowered to possess, use, or otherwise deal with the Collateral as Lender or its designees deem necessary or appropriate to protect, maintain, and/or enhance the value and utility of the Collateral and to prepare the Collateral for sale.

(d) Borrowers agree to fully cooperate and assist Lender in good faith in Lender's efforts to liquidate the Collateral and in furtherance thereof, Borrowers hereby grant, bargain and sell unto Lender a temporary license over and upon the Collateral, wherever situated, for the purposes of ingress, egress, preparing, preserving or selling the Collateral and carrying out the transactions contemplated by this Agreement. The license herein above granted shall inure to the benefit of Lender, its agents, employees, representatives, and contractors, and all purchasers and prospective purchasers of the Collateral. The foregoing licenses will terminate upon the liquidation of all the Collateral.

(e) Without further notice to Borrowers, Lender is authorized to sell and otherwise dispose of or liquidate the Collateral at one or more public or private sales as Lender may in its sole discretion deem appropriate, including foreclosure of Lender's interest in the Collateral, and any such sale or other disposition shall be conclusively deemed commercially reasonable in all respects, notwithstanding the place of such sale, lack of notice thereof to Borrowers, lack of advertising or other marketing efforts, amount of purchase price or other consideration received, or application or terms of payment of such purchase price or other consideration. Borrowers further waive any right they might have to require the sale of the

Collateral (or any portion thereof) in separate lots. Borrowers further waive any statutory or equitable rights of redemption they might have with respect to the Collateral and agree that they will, at the request of Lender, execute and deliver to Lender one or more separate instruments to evidence their waiver of such rights of redemption. Borrowers agree that they will, at the request of Lender, execute and deliver to Lender a deed in lieu of foreclosure with regard to any or all of the Real Property Collateral.

(f) The proceeds received by Lender from the sale, collection or other disposition of the Collateral shall be applied by Lender to the principal, interest, cost of sale, cost of preparation for sale, and expenses of collecting the Obligations and disposing of the Collateral, including attorneys' fees with, the manner, order and extent of such application to be in the sole discretion of Lender.

#### **16. Release of Lender.**

(a) In consideration of the agreements of Lender contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the Borrowers, on behalf of himself, itself, and their heirs, successors, assigns, and other legal representatives (collectively, the "Releasors"), hereby absolutely, unconditionally and irrevocably release, remise and forever discharge Lender, and its successors and assigns, and its present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (Lender and all such other Persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, which Releasors may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, including, without limitation, for or on account of, or in relation to, or in any way in connection with any of the Loan Documents or transactions thereunder or related thereto.

(b) Borrowers understand, acknowledge and agree that the release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

(c) Borrowers agree that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

(d) Upon full payment and satisfaction of the Obligations, the parties shall thereupon automatically each be fully, finally and forever released and discharged from any further claim, liability, or obligation in connection with the Loans and this Agreement.

17. **Adequate Consideration.** Borrowers hereby acknowledge and agree that (i) prior to giving effect to this Agreement, an Event of Default existed under the Loan Documents; (ii) Borrowers had an opportunity to consult counsel of their own choosing and have reviewed directly the terms and conditions of this Agreement, and (iii) Lender's agreed forbearance and extended time for repayment of the Obligations constitutes full and adequate consideration for the execution and delivery by Borrowers of this Agreement.

18. **Indemnification.** If, after receipt of any payment from Borrowers for any indebtedness owed by Borrowers, Lender is compelled to surrender such payment to any person or entity for any reason (including, without limitation, a determination that such payment is void or voidable as a preference or fraudulent conveyance, an impermissible setoff, or a diversion of trust funds), then Borrowers shall be liable for, and shall indemnify, defend and hold harmless Lender with respect to the full amount so surrendered relating to Borrowers, including any fees and costs incurred by Lender in connection therewith. The provisions of this section shall survive the termination of this Agreement and the other Loan Documents and shall be and remain effective notwithstanding the payment of the Obligations, the cancellation of any Loan Document, the release of any lien, security interest or other encumbrance securing such Obligations or any other action which Lender may have taken in reliance upon the receipt of such payment. Any cancellation of a Note, release of any such encumbrance or other such action shall be deemed to have been conditioned upon any payment having become final and irrevocable.

19. **Representations and Warranties.** To induce Lender to enter into this Agreement and as partial consideration for the terms and conditions contained herein, Borrowers each represent and warrant, each and all of which shall survive the execution and delivery of this Agreement and all of the other documents executed in connection herewith, that all actions required to be taken by Borrowers for the authorization, execution, delivery and performance of this Agreement and any other documents contemplated hereby have been taken. This Agreement is, and any documents executed pursuant hereto will be, legal, valid, and binding obligations of the party or parties thereto, enforceable against each such party in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium and other laws or equitable principles affecting creditors' rights generally.

20. **Other Representations and Warranties.** Borrowers do hereby reaffirm all of their representations and warranties contained in the Loan Documents, and warrant that such representations and warranties, not otherwise rendered untrue by the default referenced herein, are true and correct as of the date of this Agreement (it being understood that any representation or warranty made as of a specific date shall be true and correct in all material respects as of such specified date).

21. **Survival of Representations and Warranties.** All representations and warranties of Borrowers contained in this Agreement and in all other documents and instruments executed in connection herewith or otherwise relating to this Agreement shall survive the execution of this Agreement and are material and have been or will be relied upon by Lender, notwithstanding any investigation made by any person, entity or organization on behalf of Lender. No implied representations or warranties are created or arise as a result of this Agreement or the documents comprising or relating to this Agreement.

**22. Cooperation; Other Documents.** At all times following the execution of this Agreement, Borrowers shall execute and deliver, or shall cause to be executed and delivered, and shall do or cause to be done all such other acts and things as Lender may reasonably deem to be necessary or desirable to assure Lender of the benefit of this Agreement and the documents comprising or relating to this Agreement.

**23. Remedies Cumulative; No Waiver.** The respective rights, powers and remedies of Lender in this Agreement and in the Loan Documents are cumulative and not exclusive of any right, power or remedy provided by law or equity, and no failure or delay on the part of Lender in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy. Nothing contained in this Agreement or in any prior communications between Borrowers and Lender shall constitute a waiver or modification of any rights or remedies that Lender may have under the Loan Documents or applicable law. Lender expressly reserves and preserves all of its rights and remedies.

**24. Waiver of Marshaling.** Borrowers further acknowledge and agree that all of the Loan Documents will continue to secure the respective Indebtedness, and Borrowers have heretofore and do hereby waive any right for a marshaling of the respective Collateral now or hereafter subject to the liens and security interests of the Loan Documents.

**25. Notices.** Any written notice required to be given under this Agreement shall be sent to the following by mail and by facsimile, and shall be deemed given upon such mailing and sending by facsimile:

If to Borrowers:

William Paul Hale  
2641 Dickens Place Drive  
Southaven, Mississippi 38671

Attn: William Paul Hale  
Hale Electrical Contractors, Inc.  
5228 Hacks Cross Road  
Olive Branch, Mississippi 38654

If to Lender:

Terry W. Smith  
First Tennessee Bank National Association  
Loan Rehab Officer  
1<sup>st</sup> Floor  
165 Madison Avenue  
Memphis, Tennessee 38103

with a copy to:

R. Spencer Clift, III, Esq.  
Baker, Donelson, Bearman, Caldwell, & Berkowitz, PC  
Suite 2000  
165 Madison Avenue  
Memphis, Tennessee 38103  
Facsimile No: (901) 577.0834

26. **Integration; Effect.** This Agreement constitutes the entire agreement of the parties pertaining to the subject matter hereof and all prior negotiations and representations relating thereto are merged herein. The terms and conditions set forth in this Agreement are the product of joint draftsmanship by all parties, each being represented or having the opportunity to be represented by counsel, and any ambiguities in this Agreement or any documentation prepared pursuant to or in connection with this Agreement shall not be construed against any of the parties because of draftsmanship. This Agreement is not intended to modify and does not modify the rights, remedies and obligations of Lender and Borrowers pursuant to any loan or security agreement, guaranty or debt instrument, except to the extent expressly set forth herein. This Agreement shall inure to the benefit of, and be binding upon, the representatives, successors and assigns of the parties hereto, respectively. This Agreement may be executed in whole or in counterparts, each of which shall be an original but all of which, when taken together, shall constitute but one agreement.

27. **Counsel.** Borrowers each acknowledge that they have read and understand this Agreement, that they have had the ability to consult with an attorney of their own choosing before signing this Agreement, have been afforded an opportunity to deliberate as to whether to enter into this Agreement, that they understand the terms and effects of this Agreement, and that they execute this Agreement voluntarily.

28. **Termination of Liens.** In recognition of Lender's right to have all its attorneys' fees and other expenses incurred in connection with the Obligations due under the Loan, including without limitation, the preparation, negotiations and drafting of this Agreement, secured by the Collateral, notwithstanding payment in full of all obligations by Borrowers, Lender shall not, at the time the Obligations are paid in full, be required to record any terminations or satisfactions of any of its liens on the Collateral unless and until Borrowers have executed and delivered to Lender releases of all claims, known and unknown which exist as of the date thereof.

29. **Governing Law: Consent to Jurisdiction and Venue.** EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN ANY OF THE LOAN DOCUMENTS, IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND THE OBLIGATIONS ARISING UNDER THE LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MISSISSIPPI APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAWS, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. BORROWERS HEREBY CONSENT AND AGREE THAT THE STATE OR

FEDERAL COURTS LOCATED IN THE STATE OF MISSISSIPPI SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN BORROWERS AND LENDER PERTAINING TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS; PROVIDED, THAT LENDER AND BORROWERS ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF MISSISSIPPI; AND FURTHER PROVIDED, THAT NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE LENDER FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO COLLECT THE OBLIGATIONS, TO REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF LENDER. BORROWERS EXPRESSLY SUBMIT AND CONSENT IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND BORROWERS HEREBY WAIVE ANY OBJECTION WHICH EACH MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENT TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. BORROWERS HEREBY WAIVE PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINTS AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO BORROWERS AT THE ADDRESS SET FORTH IN SECTION 26 HEREOF AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF BORROWERS' ACTUAL RECEIPT THEREOF OR THREE (3) DAYS AFTER DEPOSIT IN THE U.S. MAILED, PROPER POSTAGE PREPAID.

**30. Mutual Waiver of Jury Trial; Arbitration.** BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX FINANCIAL TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND THE PARTIES WISH APPLICABLE STATE AND FEDERAL LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT THEIR DISPUTES BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF THE JUDICIAL SYSTEM AND OF ARBITRATION, TO THE EXTENT ALLOWED BY LAW, THE PARTIES HERETO WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE BETWEEN LENDER AND BORROWERS ARISING OUT OF, CONNECTED WITH, RELATED OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS RELATED THERETO. THE FOREGOING NOTWITHSTANDING, LENDER MAY, AT ITS OPTION, DEMAND TO ARBITRATE ANY DISPUTE UNDER THE EXPEDITED PROCEDURES OF THE COMMERCIAL FINANCIAL DISPUTES ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION (AAA) AND TITLE 9 OF THE UNITED STATES CODE, AND ALL PARTIES HERETO AGREE TO SUCH ARBITRATION. A SINGLE ARBITRATOR WILL BE APPOINTED BY THE AAA AND

WILL BE A RETIRED JUDGE OR ATTORNEY WITH EXPERIENCE OR KNOWLEDGE IN BANKING TRANSACTIONS. A JUDGMENT MAY BE ENTERED UPON THE AWARD BY ANY COURT OF COMPETENT JURISDICTION. THE ARBITRATOR SHALL HAVE THE POWER TO AWARD ATTORNEY FEES AND OTHER COSTS AS SET FORTH IN THIS AGREEMENT AND SUCH PROVISIONS ARE EXPRESSLY INCORPORATED HEREIN.

[SIGNATURE PAGE FOLLOWS]

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

ACCEPTED AND AGREED TO AS OF THE 30 DAY OF JANUARY 2007.

"Borrowers":

William Paul Hale  
WILLIAM PAUL HALE

HALE ELECTRICAL CONTRACTORS, INC.

BY: William Paul Hale  
WILLIAM PAUL HALE

ITS: PRESIDENT & DIRECTOR

"Lender":

FIRST TENNESSEE BANK NATIONAL ASSOCIATION

By: Terry W. Smith

Its: Loan Rehab Officer

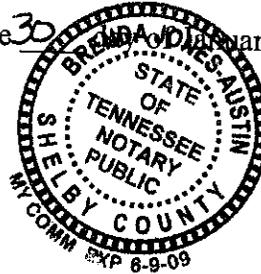
STATE OF TENNESSEE )

SHELBY COUNTY )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that **William Paul Hale**, whose name is signed the foregoing Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Agreement, he executed the same voluntarily.

Given under my hand and official seal, this the 30 day of January, 2007.

Brenda Jones Austin  
Notary Public



My Commission expires: 6-9-2009

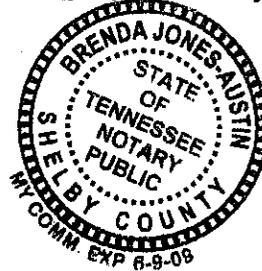
STATE OF TENNESSEE )

SHELBY COUNTY )

Personally appeared, before me, the undersigned authority in and for the said county and state, on this 30 day of January 2007, within my jurisdiction, the within named **William Paul Hale**, who acknowledged that he is President of Hale Electrical Contractors, Inc., a corporation, and that for and on behalf of the said corporation, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Given under my hand and official seal, this the 30 day of January, 2007.

Brenda Jones Austin  
Notary Public



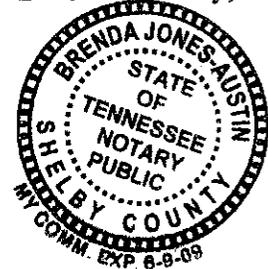
My Commission expires: 6-9-2009

STATE OF TENNESSEE )  
SHELBY COUNTY )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Serry W. Smith, whose name as Loan Officer of **FIRST TENNESSEE BANK NATIONAL ASSOCIATION**, is signed to the foregoing Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Agreement, 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 30 day of January, 2007.

Brenda Jones-Austin  
Notary Public



My Commission expires:  
6-9-2009

**EXHIBIT A**

**LEGAL DESCRIPTION**

**(REAL PROPERTY A)**

Lot 2, Phase 2, Tackett Commercial Subdivision, located in Section 27, Township I South, Range 7 West, DeSoto County, Mississippi, as per plat recorded in Plat Book 85, Page 28, in the office of the Chancery Court Clerk of DeSoto County, Mississippi.

**EXHIBIT B**

**LEGAL DESCRIPTION**

**(REAL PROPERTY B)**

Lot 3, Phase 2, Tackett Commercial Subdivision, located in Section 27, Township I South, Range 7 West, DeSoto County, Mississippi, as per plat recorded in Plat Book 85, Page 28, in the office of the Chancery Court Clerk of DeSoto County, Mississippi.