

IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO: 16-2016-CA-001205

DIVISION: CV-D

AMERIS BANK, a Georgia corporation,

Plaintiff,

v.

K.J.B. SPECIALTIES, INC., a Florida  
corporation, JOANN M. BROWN, an  
individual, and JEROME BROWN, an  
individual,

Defendants.

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**MOTION FOR FINAL SUMMARY JUDGMENT**

Plaintiff, AMERIS BANK, pursuant to Florida Rule Civil Procedure 1.510(a), moves for summary judgment on its causes of action against Defendants, K.J.B. SPECIALTIES, INC. ("KJB"), JOANN M. BROWN, and JEROME BROWN, based on there being no genuine issue as to any material fact and that Plaintiff is entitled to judgment as a matter of law. In support of this motion, Plaintiff submits the following:

1. On or about October 15, 2007, KJB executed and delivered a Promissory Note (the "Note") and Security Agreement (the "Agreement") in the amount of \$50,000.00 in favor of Plaintiff. A copy of the Note is attached as **Exhibit 1**. A copy of the Agreement is attached as **Exhibit 2**.

2. The Note is an on demand note.

3. On or about October 15, 2007, Joann M. Brown executed and delivered a Guaranty (the "Joann Guaranty"), which guaranteed the Note and Agreement. A copy of the

Guaranty is attached as **Exhibit 3**.

4. On or about October 15, 2007, Jerome Brown executed and delivered a Guaranty (the “Jerome Guaranty”), which guaranteed the Note and Agreement. A copy of the Guaranty is attached as **Exhibit 4**.

5. On or about October 26, 2007, the Bank filed a UCC-1 Financing Statement with the Florida Secured Transaction Registry evidencing its lien on the collateral described therein. A copy of the Financing Statement is attached as **Exhibit 5**.

6. On or about September 4, 2012, the Bank filed a UCC-1 Financing Statement Amendment Form with the Florida Secured Transaction Registry evidencing the continuation of its lien on the collateral. A copy of the Financing Statement Amendment Form is attached as **Exhibit 6**.

7. KJB defaulted on the terms and conditions of the Note and Agreement by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

8. Joann M. Brown defaulted on the terms and conditions of the Joann Guaranty by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

9. Jerome Brown defaulted on the terms and conditions of the Jerome Guaranty by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

10. On or about August 7, 2015, Plaintiff sent notice to KJB, Joann M. Brown and Jerome Brown of the default and accelerated the balance due. A copy of the letter is attached as **Exhibit 7**.

11. On or about September 10, 2015, Plaintiff sent another notice to KJB, Joann M. Brown and Jerome Brown of the default and warned of legal action if the Defendants did not fully cure the default on the loan documents. A copy of the letter is attached as **Exhibit 8**.

12. KJB, Joann M. Brown and Jerome Brown failed to cure the default.

13. Plaintiff has declared the entire unpaid principal balance of the Note and immediately due and payable because of KJB's, Joann M. Brown's and Jerome Brown's default.

14. Pursuant to the Note, Agreement, Joann Guaranty and Jerome Guaranty, the Bank is entitled to recover its reasonable attorneys' fees and costs in bringing this suit.

15. The Note, Agreement, Financing Statement, Financing Statement Amendment Form, Joann Guaranty, and Jerome Guaranty will be collectively referred to as the "Loan Documents."

16. The Loan Documents are valid and enforceable contracts.

17. Plaintiff owns and holds the original Loan Documents.

18. On January 6, 2017, James W. Davis, SVP and Special Assets Manager for Ameris Bank executed an affidavit in support of Plaintiff's Motion for Summary Judgment. The original affidavit is attached hereto and incorporated by reference as **Exhibit 9**.

19. Mr. Davis states in his affidavit that, without limitation, Defendants owe Plaintiff the following sums that are due on principal and interest on the Contracts as of January 4, 2017:

- a. Principal in the amount of \$37,490.18;
- b. Interest in the amount of \$1,399.36;
- c. Late Charges in the amount of \$253.40; and
- d. Attorneys' fees and costs incurred in bringing this action.

20. Mr. Davis states in his affidavit that Plaintiff has paid all documentary stamp taxes as required by Florida law.

21. Plaintiff has retained the undersigned attorneys to represent it in this action and has incurred an obligation to pay its attorneys a reasonable fee for which Defendants are liable pursuant to the Contracts.

22. Plaintiff has incurred attorneys' fees and costs amounting to \$7,681.17. See Affidavit of Alessandro A. Apolito attached as **Exhibit 10**.

23. Plaintiff's attorneys' fees and costs of \$7,681.17 are reasonable for this case. See Affidavit of Jesse S. McIntyre attached as **Exhibit 11**.

24. Summary judgment is appropriate "if the pleadings and summary judgment evidence on file show that there is no genuine issue as to any of material fact and that the moving party is entitled to a judgment as a matter of law." Fla. R. Civ. P. 1.510(c) (2016); Lindsey v. Cadence Bank, N.A., 135 So. 3d 1164, 1167 (Fla. 1st DCA 2014).

25. The affidavits submitted with this Motion comply with Florida Rule of Civil Procedure 1.510(e) because they have been made on personal knowledge, set forth admissible evidence, and that the affiants are competent to testify to the matters stated therein.

26. There is no genuine issue of material fact for this Court to decide. Defendants failed to make payment in full to Plaintiff, Ameris Bank, pursuant to the Loan Documents. As a matter of law, Plaintiff is entitled to summary judgment against Defendants and requests the Court to enter judgment therefore.

WHEREFORE, Plaintiff respectfully requests final judgment against Defendants for the sums due for principal and interest to Plaintiff under the Loan Documents, and for late charges, negative escrow balances, abstracting, taxes, insurance, expenses and costs, including, but not limited to, attorneys' fees and costs, and all other sums that Plaintiff is entitled to recover in this cause, and such further relief as the Court deems just and proper.

Respectfully submitted on January 25, 2017.

BRENNAN MANNA DIAMOND

By: /s/ Alessandro A. Apolito

Matthew T. Jackson  
Florida Bar Number 0736759  
Alessandro A. Apolito  
Florida Bar Number 0084864  
800 West Monroe Street  
Jacksonville, Florida 32202  
(904) 366-1500  
(904) 366-1501 (facsimile)  
mtjackson@bmdpl.com  
aaapolito@bmdpl.com  
*Attorneys for Plaintiff*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that, on January 25, 2017, I electronically filed the foregoing with the Clerk of the Court through Florida Court's E-Filing Portal ([www.myflcourtaccess.com](http://www.myflcourtaccess.com)), by using the E-Service Option, which will send a Notice of Electronic Filing, in compliance with Florida Rule of Judicial Administration 2.516, to the following:

Harris Brown  
320 1st Street North, Suite 612  
Jacksonville Beach, Florida 32250  
Telephone: (904) 354-0624  
Facsimile: (904) 356-1559  
*Attorney for Defendants*  
hbpleadings@hbrownlaw.net

/s/ Alessandro A. Apolito  
Attorney

<b>K.J.B. SPECIALTIES INC</b> <b>1551 EDGEWOOD AVE W</b> <b>JACKSONVILLE, FL 32209</b>	<b>THE JACKSONVILLE BANK</b> <b>100 NORTH LAURA STREET</b> <b>JACKSONVILLE, FL 32202</b>	Line of Credit No. [REDACTED] Date <u>10-15-2007</u> Max. Credit Amt. <u>50,000.00</u> Loan Ref. No. _____
<b>BORROWER'S NAME AND ADDRESS</b> *I* includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> *You* means the lender, its successors and assigns.	

You have extended to me a line of credit in the

AMOUNT of FIFTY THOUSAND AND NO/100 \$ 50,000.00

You will make loans to me from time to time until \_\_\_\_\_ m. on DEMAND. Although the line of credit expires on that date, I will remain obligated to perform all my duties under this agreement so long as I owe you any money advanced according to the terms of this agreement, as evidenced by any note or notes I have signed promising to repay these amounts.

This line of credit is an agreement between you and me. It is not intended that any third party receive any benefit from this agreement, whether by direct payment, reliance for future payment or in any other manner. This agreement is not a letter of credit.

**1. AMOUNT:** This line of credit is:

- ☒ **OBLIGATORY:** You may not refuse to make a loan to me under this line of credit unless one of the following occurs:
- a. I have borrowed the maximum amount available to me;
  - b. This line of credit has expired;
  - c. I have defaulted on the note (or notes) which show my indebtedness under this line of credit;
  - d. I have violated any term of this line of credit or any note or other agreement entered into in connection with this line of credit;

e. \_\_\_\_\_

- ☐ **DISCRETIONARY:** You may refuse to make a loan to me under this line of credit once the aggregate outstanding advances equal or exceed \$ \_\_\_\_\_.

Subject to the obligatory or discretionary limitations above, this line of credit is:

- ☒ **OPEN-END (Business or Agricultural only):** I may borrow up to the maximum amount of principal more than one time.  
☐ **CLOSED-END:** I may borrow up to the maximum only one time.

**2. PROMISSORY NOTE:** I will repay any advances made according to this line of credit agreement as set out in the promissory note, I signed on 10-15-2007, or any note(s) I sign at a later time which represent advances under this agreement. The note(s) set(s) out the terms relating to maturity, interest rate, repayment and advances. If indicated on the promissory note, the advances will be made as follows:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**3. RELATED DOCUMENTS:** I have signed the following documents in connection with this line of credit and note(s) entered into in accordance with this line of credit:

- ☒ security agreement dated 10-15-2007 ☒ **FLORIDA UCC**  
☐ mortgage dated \_\_\_\_\_ ☐ \_\_\_\_\_  
☒ guaranty dated 10-15-2007 ☐ \_\_\_\_\_

**4. REMEDIES:** If I am in default on the note(s) you may:

- a. take any action as provided in the related documents;
  - b. without notice to me, terminate this line of credit.
- By selecting any of these remedies you do not give up your right to later use any other remedy. By deciding not to use any remedy should I default, you do not waive your right to later consider the event a default, if it happens again.

**5. COSTS AND FEES:** If you hire an attorney to enforce this agreement I will pay your reasonable attorney's fees, where permitted by law. I will also pay your court costs and costs of collection, where permitted by law.

**6. COVENANTS:** For as long as this line of credit is in effect or I owe you money for advances made in accordance with the line of credit, I will do the following:

- a. maintain books and records of my operations relating to the need for this line of credit;
- b. permit you or any of your representatives to inspect and/or copy these records;
- c. provide to you any documentation requested by you which support the reason for making any advance under this line of credit;
- d. permit you to make any advance payable to the seller (or seller and me) of any items being purchased with that advance;

e. \_\_\_\_\_

**7. NOTICES:** All notices or other correspondence with me should be sent to my address stated above. The notice or correspondence shall be effective when deposited in the mail, first class, or delivered to me in person.

**8. MISCELLANEOUS:** This line of credit may not be changed except by a written agreement signed by you and me. The law of the state in which you are located will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation.

FOR THE LENDER

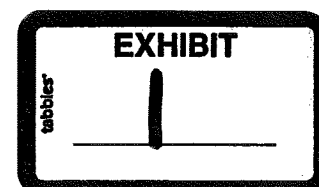
#003 - DOWNTOWN OFFICE

Title THE JACKSONVILLE BANK

SIGNATURES: I AGREE TO THE TERMS OF THIS LINE OF CREDIT. I HAVE RECEIVED A COPY ON TODAY'S DATE.

JOANN M. BROWN, PRESIDENT

JEROME BROWN, VICE PRESIDENT



<b>K.J.B. SPECIALTIES INC</b> 1551 EDGEWOOD AVE W JACKSONVILLE, FL 32209	<b>THE JACKSONVILLE BANK</b> 100 NORTH LAURA STREET JACKSONVILLE, FL 32202	<b>LN OFFICER</b> Loan Number <span style="background-color: black; color: black;">[REDACTED]</span> Date <u>10-15-2007</u> Maturity Date <u>ON DEMAND</u> Loan Amount \$ <u>50,000.00</u> Renewal Of _____ LP INITIALS <u>CMH</u>
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of FIFTY THOUSAND AND NO/100

Dollars \$ 50,000.00

- ☐ **Single Advance:** I will receive all of this principal sum on \_\_\_\_\_. No additional advances are contemplated under this note.
- ☒ **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_, and future principal advances are contemplated.
- Conditions:** The conditions for future advances are \_\_\_\_\_

☒ **Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on DEMAND.

☐ **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 10-15-2007 at the rate of 8.750 % per year until 10-15-2007.

☒ **Variable Rate:** This rate may then change as stated below.

☒ **Index Rate:** The future rate will be 1.000 PERCENT ABOVE the following index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE.

☐ **No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

☒ **Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 10-16-2007.

A change in the interest rate will take effect ON THE SAME DAY.

☒ **Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 18.000% or less than 0.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_.

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:

☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

☐

**ACCURAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).

☐ at a rate equal to \_\_\_\_\_

☒ **LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT.

☒ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: LOAN FEE, UCC LIEN FILING FEE AND DOCUMENTARY STAMPS.

**PAYMENTS:** I agree to pay this note as follows:

**MONTHLY PAYMENTS OF ACCRUED INTEREST CALCULATED ON THE AMOUNT OF CREDIT OUTSTANDING BEGINNING ON 11-15-2007. PRINCIPAL PLUS ANY UNPAID INTEREST DUE UPON DEMAND.**

**ADDITIONAL TERMS:**

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date): FLORIDA UCC, GUARANTY, COMMERCIAL SECURITY AGREEMENT

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

**PURPOSE:** The purpose of this loan is SHORT TERM WORKING CAPITAL FOR NEW RESTAURANT

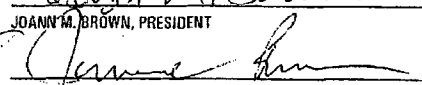
**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

K.J.B. SPECIALTIES INC

Signature for Lender

  
 #003 - DOWNTOWN OFFICE, THE JACKSONVILLE BANK

  
 JOANN M. BROWN, PRESIDENT

  
 JEROME BROWN, VICE PRESIDENT

Florida Documentary Stamp Tax  
 required by law in the amount of \$ 175.00  
 has been paid or will be paid directly to 120  
 the Department of Revenue.  
 Certificate of Registration No. 593571314-26-001.





DEBTOR NAME AND ADDRESS	SECURED PARTY NAME AND ADDRESS
K.J.B. SPECIALTIES INC 1551 EDGEWOOD AVE W JACKSONVILLE, FL 32209	THE JACKSONVILLE BANK 100 NORTH LAURA STREET JACKSONVILLE, FL 32202
Type: <input type="checkbox"/> individual <input type="checkbox"/> partnership <input checked="" type="checkbox"/> corporation <input type="checkbox"/> _____ State of organization/registration (if applicable) <u>FL</u> <input type="checkbox"/> If checked, refer to addendum for additional Debtors and signatures.	

### COMMERCIAL SECURITY AGREEMENT

The date of this Commercial Security Agreement (Agreement) is 10-15-2007.

**SECURED DEBTS.** This Agreement will secure all sums advanced by Secured Party under the terms of this Agreement and the payment and performance of the following described Secured Debts that (check one) ☒ Debtor ☐ \_\_\_\_\_ (Borrower) owes to Secured Party:

☐ **Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications, and replacements (describe):

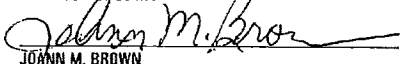
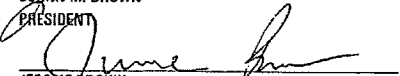

☒ **All Debts.** All present and future debts, even if this Agreement is not referenced, the debts are also secured by other collateral, or the future debt is unrelated to or of a different type than the current debt. Nothing in this Agreement is a commitment to make future loans or advances.

**SECURITY INTEREST.** To secure the payment and performance of the Secured Debts, Debtor gives Secured Party a security interest in all of the Property described in this Agreement that Debtor owns or has sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products of the Property. "Property" includes all parts, accessories, repairs, replacements, improvements, and accessions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property. "Proceeds" includes anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property. This Agreement remains in effect until terminated in writing, even if the Secured Debts are paid and Secured Party is no longer obligated to advance funds to Debtor or Borrower.

**PROPERTY DESCRIPTION.** The Property is described as follows:

- ☐ **Accounts and Other Rights to Payment:** All rights to payment, whether or not earned by performance, including, but not limited to, payment for property or services sold, leased, rented, licensed, or assigned. This includes any rights and interests (including all liens) which Debtor may have by law or agreement against any account debtor or obligor of Debtor.
- ☒ **Inventory:** All inventory held for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in Debtor's business.
- ☒ **Equipment:** All equipment including, but not limited to, machinery, vehicles, furniture, fixtures, manufacturing equipment, farm machinery and equipment, shop equipment, office and record keeping equipment, parts, and tools. The Property includes any equipment described in a list or schedule Debtor gives to Secured Party, but such a list is not necessary to create a valid security interest in all of Debtor's equipment.
- ☒ **Instruments and Chattel Paper:** All instruments, including negotiable instruments and promissory notes and any other writings or records that evidence the right to payment of a monetary obligation, and tangible and electronic chattel paper.
- ☒ **General Intangibles:** All general intangibles including, but not limited to, tax refunds, patents and applications for patents, copyrights, trademarks, trade secrets, goodwill, trade names, customer lists, permits and franchises, payment intangibles, computer programs and all supporting information provided in connection with a transaction relating to computer programs, and the right to use Debtor's name.
- ☐ **Documents:** All documents of title including, but not limited to, bills of lading, dock warrants and receipts, and warehouse receipts.
- ☐ **Farm Products and Supplies:** All farm products including, but not limited to, all poultry and livestock and their young, along with their produce, products, and replacements; all crops, annual or perennial, and all products of the crops; and all feed, seed, fertilizer, medicines, and other supplies used or produced in Debtor's farming operations.
- ☐ **Government Payments and Programs:** All payments, accounts, general intangibles, and benefits including, but not limited to, payments in kind, deficiency payments, letters of entitlement, warehouse receipts, storage payments, emergency assistance and diversion payments, production flexibility contracts, and conservation reserve payments under any preexisting, current, or future federal or state government program.
- ☐ **Investment Property:** All investment property including, but not limited to, certificated securities, uncertificated securities, securities entitlements, securities accounts, commodity contracts, commodity accounts, and financial assets.
- ☐ **Deposit Accounts:** All deposit accounts including, but not limited to, demand, time, savings, passbook, and similar accounts.
- ☐ **Specific Property Description:** The Property includes, but is not limited by, the following (if required, provide real estate description):

**USE OF PROPERTY.** The Property will be used for ☐ personal ☒ business ☐ agricultural ☐ \_\_\_\_\_ purposes.

DEBTOR	SECURED PARTY
K.J.B. SPECIALTIES INC  JOANN M. BROWN PRESIDENT  JEROME BROWN VICE PRESIDENT	THE JACKSONVILLE BANK  #003 - DOWNTOWN OFFICE THE JACKSONVILLE BANK

**EXHIBIT**

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**GENERAL PROVISIONS.** Each Debtor's obligations under this Agreement are independent of the obligations of any other Debtor. Secured Party may sue each Debtor individually or together with any other Debtor. Secured Party may release any part of the Property and Debtor will remain obligated under this Agreement. The duties and benefits of this Agreement will bind the successors and assigns of Debtor and Secured Party. No modification of this Agreement is effective unless made in writing and signed by Debtor and Secured Party. Whenever used, the plural includes the singular and the singular includes the plural. Time is of the essence.

**APPLICABLE LAW.** This Agreement is governed by the laws of the state in which Secured Party is located. In the event of a dispute, the exclusive forum, venue, and place of jurisdiction will be the state in which Secured Party is located, unless otherwise required by law. If any provision of this Agreement is unenforceable by law, the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**NAME AND LOCATION.** Debtor's name indicated on page 1 is Debtor's exact legal name. If Debtor is an individual, Debtor's address is Debtor's principal residence. If Debtor is not an individual, Debtor's address is the location of Debtor's chief executive offices or sole place of business. If Debtor is an entity organized and registered under state law, Debtor has provided Debtor's state of registration on page 1. Debtor will provide verification of registration and location upon Secured Party's request. Debtor will provide Secured Party with at least 30 days notice prior to any change in Debtor's name, address, or state of organization or registration.

**WARRANTIES AND REPRESENTATIONS.** Debtor has the right, authority, and power to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing Debtor or Debtor's property, or to which Debtor is a party. Debtor makes the following warranties and representations which continue as long as this Agreement is in effect:

- (1) Debtor is duly organized and validly existing in all jurisdictions in which Debtor does business;
- (2) the execution and performance of the terms of this Agreement have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law or order;
- (3) other than previously disclosed to Secured Party, Debtor has not changed Debtor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name; and
- (4) Debtor does not and will not use any other name without Secured Party's prior written consent.

Debtor owns all of the Property, and Secured Party's claim to the Property is ahead of the claims of any other creditor, except as otherwise agreed and disclosed to Secured Party prior to any advance on the Secured Debts. The Property has not been used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

**DUTIES TOWARD PROPERTY.** Debtor will protect the Property and Secured Party's interest against any competing claim. Except as otherwise agreed, Debtor will keep the Property in Debtor's possession at the address indicated on page 1 of this Agreement. Debtor will keep the Property in good repair and use the Property only for purposes specified on page 1. Debtor will not use the Property in violation of any law and will pay all taxes and assessments levied or assessed against the Property. Secured Party has the right of reasonable access to inspect the Property, including the right to require Debtor to assemble and make the Property available to Secured Party. Debtor will immediately notify Secured Party of any loss or damage to the Property. Debtor will prepare and keep books, records, and accounts about the Property and Debtor's business, to which Debtor will allow Secured Party reasonable access.

Debtor will not sell, offer to sell, license, lease, or otherwise transfer or encumber the Property without Secured Party's prior written consent. Any disposition of the Property will violate Secured Party's rights, unless the Property is inventory sold in the ordinary course of business at fair market value. If the Property includes chattel paper or instruments, either as original collateral or as proceeds of the Property, Debtor will record Secured Party's interest on the face of the chattel paper or instruments.

If the Property includes accounts, Debtor will not settle any account for less than the full value, dispose of the accounts by assignment, or make any material change in the terms of any account without Secured Party's prior written consent. Debtor will collect all accounts in the ordinary course of business, unless otherwise required by Secured Party. Debtor will keep the proceeds of the accounts, and any goods returned to Debtor, in trust for Secured Party and will not commingle the proceeds or returned goods with any of Debtor's other property. Secured Party has the right to require Debtor to pay Secured Party the full price on any returned items. Secured Party may require account debtors to make payments under the accounts directly to Secured Party. Debtor will deliver the accounts to Secured Party at Secured Party's request. Debtor will give Secured Party all statements, reports, certificates, lists of account debtors (showing names, addresses, and amounts owing), invoices applicable to each account, and any other data pertaining to the accounts as Secured Party requests.

If the Property includes farm products, Debtor will provide Secured Party with a list of the buyers, commission merchants, and selling agents to or through whom Debtor may sell the farm products. Debtor authorizes Secured Party to notify any additional parties regarding Secured Party's interest in Debtor's farm products, unless prohibited by law. Debtor agrees to plant, cultivate, and harvest crops in due season. Debtor will be in default if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetland to produce or to make possible the production of an agricultural commodity, further explained in 7 CFR Part 1940, Subpart G, Exhibit M. If Debtor pledges the Property to Secured Party (delivers the Property into the possession or control of Secured Party or a designated third party), Debtor will, upon receipt, deliver any proceeds and products of the Property to Secured Party. Debtor will provide Secured Party with any notices, documents, financial statements, reports, and other information relating to the Property Debtor receives as the owner of the Property.

**PERFECTION OF SECURITY INTEREST.** Debtor authorizes Secured Party to file a financing statement covering the Property. Debtor will comply with, facilitate, and otherwise assist Secured Party in connection with obtaining possession or control over the Property for purposes of perfecting Secured Party's interest under the Uniform Commercial Code.

**INSURANCE.** Debtor agrees to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Agreement. Debtor will maintain this insurance in the amounts Secured Party requires. Debtor may choose the insurance company, subject to Secured Party's approval, which will not be unreasonably withheld. Debtor will have the insurance provider name Secured Party as loss payee on the insurance policy. Debtor will give Secured Party and the insurance provider immediate notice of any loss. Secured Party may apply the insurance proceeds toward the Secured Debts. Secured Party may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If Secured Party acquires the Property in damaged condition, Debtor's rights to any insurance policies and proceeds will pass to Secured Party to the extent of the Secured Debts. Debtor will immediately notify Secured Party of the cancellation or termination of insurance. If Debtor fails to keep the Property insured, or fails to provide Secured Party with proof of insurance, Secured Party may obtain insurance to protect Secured Party's interest in the Property. The insurance may include coverages not originally required of Debtor, may be written by a company other than one Debtor would choose, and may be written at a higher rate than Debtor could obtain if Debtor purchased the insurance.

**AUTHORITY TO PERFORM.** Debtor authorizes Secured Party to do anything Secured Party deems reasonably necessary to protect the Property and Secured Party's interest in the Property. If Debtor fails to perform any of Debtor's duties under this Agreement, Secured Party is authorized, without notice to Debtor, to perform the duties or cause them to be performed. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and take any action to realize the value of the Property. Secured Party's authority to perform for Debtor does not create an obligation to perform, and Secured Party's failure to perform will not preclude Secured Party from exercising any other rights under the law or this Agreement. If Secured Party performs for Debtor, Secured Party will use reasonable care. Reasonable care will not include any steps necessary to preserve rights against prior parties or any duty to take action in connection with the management of the Property.

If Secured Party comes into possession of the Property, Secured Party will preserve and protect the Property to the extent required by law. Secured Party's duty of care with respect to the Property will be satisfied if Secured Party exercises reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

Secured Party may enforce the obligations of an account debtor or other person obligated on the Property. Secured Party may exercise Debtor's rights with respect to the account debtor's or other person's obligations to make payment or otherwise render performance to Debtor, and enforce any security interest that secures such obligations.

**PURCHASE MONEY SECURITY INTEREST.** If the Property includes items purchased with the Secured Debts, the Property purchased with the Secured Debts will remain subject to Secured Party's security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Agreement will not be applied to the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, payments will be applied in the order Secured Party selects. No security interest will be terminated by application of this formula.

**DEFAULT.** Debtor will be in default if:

- (1) Debtor (or Borrower, if not the same) fails to make a payment in full when due;
- (2) Debtor fails to perform any condition or keep any covenant on this or any debt or agreement Debtor has with Secured Party;
- (3) a default occurs under the terms of any instrument or agreement evidencing or pertaining to the Secured Debts;
- (4) anything else happens that either causes Secured Party to reasonably believe that Secured Party will have difficulty in collecting the Secured Debts or significantly impairs the value of the Property.

**REMEDIES.** After Debtor defaults, and after Secured Party gives any legally required notice and opportunity to cure the default, Secured Party may at Secured Party's option do any one or more of the following:

- (1) make all or any part of the Secured Debts immediately due and accrue interest at the highest post-maturity interest rate;
- (2) require Debtor to gather the Property and make it available to Secured Party in a reasonable fashion;
- (3) enter upon Debtor's premises and take possession of all or any part of Debtor's property for purposes of preserving the Property or its value and use and operate Debtor's property to protect Secured Party's interest, all without payment or compensation to Debtor;
- (4) use any remedy allowed by state or federal law, or provided in any agreement evidencing or pertaining to the Secured Debts.

If Secured Party repossesses the Property or enforces the obligations of an account debtor, Secured Party may keep or dispose of the Property as provided by law. Secured Party will apply the proceeds of any collection or disposition first to Secured Party's expenses of enforcement, which includes reasonable attorneys' fees and legal expenses to the extent not prohibited by law, and then to the Secured Debts. Debtor (or Borrower, if not the same) will be liable for the deficiency, if any.

By choosing any one or more of these remedies, Secured Party does not give up the right to use any other remedy. Secured Party does not waive a default by not using a remedy.

**WAIVER.** Debtor waives all claims for damages caused by Secured Party's acts or omissions where Secured Party acts in good faith.

**NOTICE AND ADDITIONAL DOCUMENTS.** Where notice is required, Debtor agrees that 10 days prior written notice will be reasonable notice to Debtor under the Uniform Commercial Code. Notice to one party is notice to all parties. Debtor agrees to sign, deliver, and file any additional documents and certifications Secured Party considers necessary to perfect, continue, or preserve Debtor's obligations under this Agreement and to confirm Secured Party's lien status on the Property.

# GUARANTY

JACKSONVILLE, FLORIDA  
(City) (State)

OCTOBER 15, 2007

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce THE JACKSONVILLE BANK (herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of K.J.B. SPECIALTIES INC

(herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: \_\_\_\_\_

and any extensions,

renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): \_\_\_\_\_

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of \$ UNLIMITED (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated \_\_\_\_\_;  
☐ secured by \_\_\_\_\_

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

JOANN M. BROWN

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

EXHIBIT

3

#### ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under § 1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

# GUARANTY

JACKSONVILLE

(City)

FLORIDA

(State)

OCTOBER 15, 2007

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce THE JACKSONVILLE BANK

(herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of K.J.B. SPECIALTIES INC.

(herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: \_\_\_\_\_

\_\_\_\_\_ and any extensions,

renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): \_\_\_\_\_

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of \$ UNLIMITED (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated \_\_\_\_\_;  
☐ secured by \_\_\_\_\_

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

  
JEROME BROWN

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

EXHIBIT

4

## ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

# STATE OF FLORIDA UNIFORM COMMERCIAL CODE FINANCING STATEMENT FORM

A. NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON CHASTITY HOSMAN 904-421-3042
B. SEND ACKNOWLEDGEMENT TO:  THE JACKSONVILLE BANK 100 N LAURA STREET JACKSONVILLE, FL 32202

FLORIDA SECURED TRANSACTION REGISTRY

**FILED**

2007 Oct 26 AM 12:00

\*\*\*\*\* 200706869751 \*\*\*\*\*

## 1. DEBTOR'S EXACT FULL LEGAL NAME — INSERT ONLY ONE DEBTOR NAME (1a OR 1b) — Do Not Abbreviate or Combine Names

1a. ORGANIZATION'S NAME K.J.B. SPECIALTIES INC				
1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 1551 EDGEWOOD AVE W	CITY JACKSONVILLE	STATE FL	POSTAL CODE 32209	COUNTRY
1d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION CORPORATION	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID#  <input checked="" type="checkbox"/> NONE

## 2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME — INSERT ONLY ONE DEBTOR NAME (2a OR 2b) — Do Not Abbreviate or Combine Names

2a. ORGANIZATION'S NAME				
2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
2d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID#  <input type="checkbox"/> NONE

## 3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) — INSERT ONLY ONE SECURED PARTY NAME (3a OR 3b)

3a. ORGANIZATION'S NAME THE JACKSONVILLE BANK				
3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 100 NORTH LAURA STREET	CITY JACKSONVILLE	STATE FL	POSTAL CODE 32202	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:  
ALL INVENTORY, CHATTEL PAPER, ACCOUNTS, EQUIPMENT AND GENERAL INTANGIBLES; WHETHER ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL  
ACCESSIONS, ADDITIONS, REPLACEMENTS, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND RELATING TO ANY OF THE FOREGOING;  
ALL PROCEEDS RELATING TO ANY OF THE FOREGOING (INCLUDING INSURANCE, GENERAL INTANGIBLES AND OTHER ACCOUNTS PROCEEDS)

5. ALTERNATE DESIGNATION (if applicable)	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR
	AG. LIEN	X NON-UCC FILING	SELLER/BUYER

## 6. Florida DOCUMENTARY STAMP TAX—YOU ARE REQUIRED TO CHECK EXACTLY ONE BOX

<input checked="" type="checkbox"/> All documentary stamps due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid.
<input type="checkbox"/> Florida Documentary Stamp Tax is not required.

## 7. OPTIONAL FILER REFERENCE DATA NEW LOAN

STANDARD FORM - FORM UCC-1 (REV.12/2001)

Filing Office Copy

Approved by the Secretary of State, State of Florida

Bankers Systems, Inc., St. Cloud, MN Form UCC-1-LAZ-FL 2/6/2002

EXHIBIT

5

**STATE OF FLORIDA UNIFORM COMMERCIAL CODE  
FINANCING STATEMENT AMENDMENT FORM**

A NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON  
**Christine Lombardozzi 904-421-3042**

B SEND ACKNOWLEDGEMENT TO  
Name **The Jacksonville Bank**

Address **100 N Laura St**

Address **10th Floor**

City/State/Zip **Jacksonville, FL 32202**

FLORIDA SECURED TRANSACTION REGISTRY

**FILED**

**2012 Sep 04 AM 08:00**

\*\*\*\* **201207442419** \*\*\*\*

\*\*\*C\* **09041241300501-12.00\*\*\*12.00\*\*\***

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a INITIAL FINANCING STATEMENT FILE #  
**200706859751**

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed  
[for record] (or recorded) in the REAL ESTATE RECORDS

**2 CURRENT RECORD INFORMATION - DEBTOR NAME - INSERT ONLY ONE DEBTOR NAME (2a OR 2b)**

2a ORGANIZATION'S NAME  
**K.J.B. Specialties Inc**

2b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

**3 CURRENT RECORD INFORMATION - SECURED PARTY NAME - INSERT ONLY ONE SECURED PARTY NAME (3a OR 3b)**

3a ORGANIZATION'S NAME  
**The Jacksonville Bank**

3b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

4. ☐ **TERMINATION** Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement

5. ☒ **CONTINUATION** Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

6. ☐ **ASSIGNMENT** (full or partial) Give name of assignee in item 9a or 9b and address of assignee in item 9c, and also give name of assignor in item 11

7. ☐ **AMENDMENT (PARTY INFORMATION)** This Amendment affects ☐ Debtor or ☐ Secured Party of record Check only one of these two boxes

Also check one of the following three boxes and provide appropriate information in items 8 and/or 9.

☐ **CHANGE** name and/or address Give current record name in item 8a or 8b, Also give new name (if name change) in item 9a or 9b and/or new address (if address change) in item 9c

☐ **DELETE** name Give record name to be deleted in item 8a or 8b

☐ **ADD** name Complete item 9a or 9b, and 9c, also complete items 9d-9g (if applicable)

**8 CURRENT RECORD INFORMATION - INSERT ONLY ONE NAME (8a OR 8b) - Do Not Abbreviate or Combine Names**

8a ORGANIZATION'S NAME

8b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

**9 CHANGED (NEW) OR ADDED INFORMATION - INSERT ONLY ONE NAME (9a OR 9b) - Do Not Abbreviate or Combine Names**

9a ORGANIZATION'S NAME

9b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

9c MAILING ADDRESS Line One

--This space not available

MAILING ADDRESS Line Two

CITY

STATE

POSTAL CODE

COUNTRY

9d TAX ID#

REQUIRED ADD'L INFO  
RE ORGANIZATION DEBTOR

9e TYPE OF ORGANIZATION

9f JURISDICTION OF ORGANIZATION

9g ORGANIZATIONAL ID#  
NONE

10 **AMENDMENT (COLLATERAL CHANGE):** check only one box  
Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned

11 **NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT** (name of assignor, if this is an Assignment) If this is an Amendment authorized by a Debtor, which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment

11a ORGANIZATION'S NAME  
**The Jacksonville Bank**

11b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

12 **OPTIONAL FILER REFERENCE DATA** In #2001812 #8103

**EXHIBIT**

**6**



# BRENNAN, MANNA & DIAMOND

ATTORNEYS & COUNSELORS AT LAW

Alessandro A. Apolito  
800 West Monroe Street ■ Jacksonville, FL 32202  
Phone: (904) 366-1500  
aaapolito@bmdpl.com

August 7, 2015

**By Federal Express**

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
1551 Edgewood Avenue, West  
Jacksonville, FL 32209

Mrs. Joann M. Brown  
Mr. Jerome Brown  
9539 Carbondale E. Dr.  
Jacksonville, FL 32208-1508

Re: Notice of Default: Loan Number [REDACTED]

Dear Mr. and Mrs. Brown,

As you know, we represent The Jacksonville Bank regarding the above referenced loan. Pursuant to the terms of the loan documents, K.J.B. Specialties, Inc. ("KJB") was required to make the following payments:

\$506.72	on April 23, 2015;
\$506.72	on May 23, 2015;
\$506.72	on June 23, 2015; and
\$506.72	on July 23, 2015.

You have failed to make the above referenced payments, thereby constituting a default under the terms of the loan documents referenced above and entitling The Jacksonville Bank to accelerate the entire balance of the loan and bring any legal actions against you and the collateral securing the loan to enforce payment thereof against you.

Further, pursuant to the personal guarantees executed by both of you, you are required to make the above referenced payments in the event of KJB's default.

Accordingly, The Jacksonville Bank hereby demands that you remit immediate payment in the amount of \$2,710.98, which includes late charges of \$177.38 and your next payment of \$506.72 that is due on August 23, 2015. If such payment is not received within five (5) business days, The Jacksonville Bank demands that you turnover the collateral securing the loan. Further, The Jacksonville Bank will accelerate the debt and has instructed us to immediately take all action to obtain payment, including instituting legal action against you, the collateral securing the loan, and seeking costs and attorneys' fees incurred in bringing the suit.

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
August 7, 2015  
Page 2

This Notice is not a waiver of any of The Jacksonville Bank's rights, interests or remedies to which it is entitled under the loan documents or the laws of the State of Florida, and The Jacksonville Bank specifically reserves its right to avail itself of any rights, remedies or privileges provided under such agreements or by law.

We certainly hope that legal action will not be necessary and that you will work with The Jacksonville Bank to honor your obligations.

Sincerely,



Alessandro A. Apolito

**NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT**

**15 U.S.C. SECTION 1692, AS AMENDED**

1. The Plaintiff, THE JACKSONVILLE BANK, is the creditor to whom the debt is owed by those individuals who are obligated under the promissory note and mortgage.
2. The debtor may dispute the validity of this debt, or any portion thereof, within 30 days of receipt of this Notice. If the debtor fails to dispute the debt within 30 days, the debt will be assumed valid by the creditor.
3. If the debtor notifies the creditor's law firm in writing within 30 days from the receipt of this notice that the debt, or any portion thereof, is disputed, the creditor's law firm will obtain verification of the debt, or a copy of a judgment and a copy of the verification will be mailed to the debtor by the creditor's law firm. Collection efforts, resulting in additional attorney fees and costs however, will continue during this 30 day period until this office receives the written request for verification.
4. If the creditor named herein is not the original creditor, and if the debtor makes a written request to the creditor's law firm within 30 days of the receipt of this Notice, the name and address of the original creditor will be mailed to the debtor by the creditor's law firm. Collection efforts, resulting in additional attorney fees and costs however, will continue during this 30 day period until this office receives the written request for the name and address of the original creditor.
5. As of August 7, 2015, you owe a total amount of \$44,466.57 on the above referenced loan. Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your certified funds, in which

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
August 7, 2015  
Page 3

event we will inform you before depositing the check for collection. For further information, please call 904-366-1500.

6. Written requests pursuant to this notice should be addressed to Alessandro A. Apolito, Brennan Manna & Diamond, P.L., 800 West Monroe Street, Jacksonville, Florida, 32202.
7. This communication is for the purpose of collection a debt, and any information obtained from the debtor will be used for that purpose.
8. The Law does not require me (the debt collector) to wait until the end of the thirty-day period before suing you (the consumer) to collect this debt. Once a lawsuit is commenced, all judicial remedies will be zealously pursued and attorney fees and costs, which you may be responsible for, in whole or in part, will be incurred. If, however, you request proof of the debt or the name and address of the original creditor within the thirty-day period which begins with your receipt of this letter, the law requires me to suspend my efforts (through litigation or otherwise) to collect the debt until I mail the requested information to you. Once the requested information is mailed to you litigation efforts will resume.
9. Even though you are required to file a response to the lawsuit prior to the thirty (30) days, your validation rights, as set forth in this notice, shall not expire for thirty (30) days.

# BRENNAN, MANNA & DIAMOND

ATTORNEYS & COUNSELORS AT LAW

Alessandro A. Apolito  
800 West Monroe Street ■ Jacksonville, FL 32202  
Phone: (904) 366-1500  
aaapolito@bmdpl.com

September 10, 2015

**By Federal Express**

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
1551 Edgewood Avenue, West  
Jacksonville, FL 32209

Mrs. Joann M. Brown  
Mr. Jerome Brown  
9539 Carbondale E. Dr.  
Jacksonville, FL 32208-1508

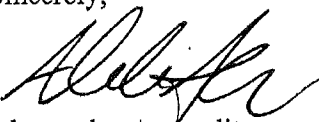
Re: Loan Number [REDACTED]

Dear Mr. and Mrs. Brown,

As you know, we represent The Jacksonville Bank regarding the above referenced loan. We sent a Notice of Default letter to K.J.B. Specialties, Inc. ("KJB") on August 7, 2015 in which we demanded that KJB make an immediate payment in the amount of \$2,710.98 within five (5) business days from the date of that letter. The Bank did not receive that payment; therefore, it has instructed us to proceed with legal action against KJB, you individually as guarantors, and the collateral securing the loan to enforce payment thereof. I enclose a draft version of the Complaint that we will file in three (3) business days if the Bank does not receive payment from you.

This Notice is not a waiver of any of The Jacksonville Bank's rights, interests or remedies to which it is entitled under the loan documents or the laws of the State of Florida, and The Jacksonville Bank specifically reserves its right to avail itself of any rights, remedies or privileges provided under such agreements or by law.

Sincerely,

  
Alessandro A. Apolito

cc: Matthew T. Jackson

IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO:

DIVISION:

THE JACKSONVILLE BANK, a Florida  
corporation,

Plaintiff,

v.

K.J.B. SPECIALTIES, INC., a Florida  
corporation, JOANN M. BROWN, an  
individual, and JEROME BROWN, an  
individual,

Defendants.

---

**COMPLAINT**

Plaintiff, THE JACKSONVILLE BANK (the "Bank"), sues Defendants, K.J.B. SPECIALTIES, INC. ("KJB"), JOANN M. BROWN, and JEROME BROWN and states:

**JURISDICTION AND VENUE**

1. This is an action for damages in excess of \$15,000.00, exclusive of interest, costs, and attorneys' fees.

2. Venue is properly vested in this Court as this is an action for breach of contracts that required payment in Duval County, Florida. Further, pursuant venue provisions in the subject contracts, any lawsuit must be filed in Duval County, Florida.

**THE PARTIES**

3. The Jacksonville Bank is a Florida corporation having its principal place of business at 100 North Laura Street, Jacksonville, Duval County, Florida 32202.

4. KJB is a Florida corporation with its principal place of business in Duval County, Florida.

5. Upon information and belief, Joann M. Brown is a resident of Duval County, Florida.

6. Upon information and belief, Jerome Brown is a resident of Duval County, Florida.

### **GENERAL ALLEGATIONS**

7. On or about October 15, 2007, KJB executed and delivered a Promissory Note (the "Note") and Security Agreement (the "Agreement") in the amount of \$50,000.00 in favor of Plaintiff. A copy of the Note is attached as **Exhibit 1**. A copy of the Agreement is attached as **Exhibit 2**.

8. On or about October 15, 2007, Joann M. Brown executed and delivered a Guaranty (the "Joann Guaranty"), which guaranteed the Note and Agreement. A copy of the Guaranty is attached as **Exhibit 3**.

9. On or about October 15, 2007, Jerome Brown executed and delivered a Guaranty (the "Jerome Guaranty"), which guaranteed the Note and Agreement. A copy of the Guaranty is attached as **Exhibit 4**.

10. On or about October 26, 2007, the Bank filed a UCC-1 Financing Statement with the Florida Secured Transaction Registry evidencing its lien on the collateral described therein. A copy of the Financing Statement is attached as **Exhibit 5**.

11. On or about September 4, 2012, the Bank filed a UCC-1 Financing Statement Amendment Form with the Florida Secured Transaction Registry evidencing the continuation of its lien on the collateral. A copy of the Financing Statement Amendment Form is attached as

**Exhibit 6.**

12. KJB defaulted on the terms and conditions of the Note and Agreement by failing to remit payment to Plaintiff on April 23, 2015 and all subsequent payments.

13. Joann M. Brown defaulted on the terms and conditions of the Joann Guaranty by failing to remit payment to Plaintiff on April 23, 2015 and all subsequent payments.

14. Jerome Brown defaulted on the terms and conditions of the Jerome Guaranty by failing to remit payment to Plaintiff on April 23, 2015 and all subsequent payments.

15. On or about August 7, 2015, Plaintiff sent notice to KJB, Joann M. Brown and Jerome Brown of the default. A copy of the letter is attached as **Exhibit 7**.

16. KJB, Joann M. Brown and Jerome Brown have failed to cure the default.

17. Plaintiff has declared the entire unpaid principal balance of the Note and immediately due and payable because of KJB's, Joann M. Brown's and Jerome Brown's default.

18. Pursuant to the Note, Agreement, Joann Guaranty and Jerome Guaranty, the Bank is entitled to recover its reasonable attorneys' fees and costs in bringing this suit.

19. The Note, Agreement, Financing Statement, Financing Statement Amendment Form, Joann Guaranty, and Jerome Guaranty will be collectively referred to as the "Loan Documents."

20. Plaintiff has engaged undersigned counsel and is obligated to pay a reasonable fee for the services thereof.

21. All conditions precedent to the bringing of this action have occurred or been waived.

**COUNT I – BREACH OF NOTE**

22. Plaintiff re-alleges and incorporates by reference the allegations set forth in

paragraphs 1-20 above.

- 23. The Note is a valid and enforceable contract.
- 24. Plaintiff owns and holds the Note.
- 25. Plaintiff is in possession of the original Note.
- 26. KJB materially breached the terms and conditions of the Note by failing to remit payment for the amounts due under the Note on April 23, 2015 and all subsequent payments.

27. As a result of KJB's material breach, Plaintiff has suffered damages.

28. Pursuant to the Note, KJB owes the Bank the following sums that are due in principal and interest as of August 7, 2015:

- a. Principal in the amount of \$41,199.89;
- b. Interest in the amount of \$524.63;
- c. Late Charges in the amount of \$177.39; and
- d. Attorneys' fees and costs incurred in bringing this action.

29. Plaintiff has paid all documentary stamp taxes as required by Florida law.

30. Plaintiff has retained the undersigned attorneys to represent it in this action and has incurred an obligation to pay its attorneys a reasonable fee for which KJB is liable pursuant to the Note.

WHEREFORE, Plaintiff demands that judgment be entered in its favor and against KJB, and that Plaintiff be awarded damages, including, without limitation, costs, interest, attorneys' fees, and such other relief as is just and proper.

#### **COUNT II – BREACH OF GUARANTIES**

31. Plaintiff re-alleges and incorporates by reference the allegations set forth in paragraphs 1-20 above.



32. The Joann Guaranty and Jerome Guaranty are valid and enforceable contracts.
33. Plaintiff owns and holds the Joann Guaranty and Jerome Guaranty.
34. Joann M. Brown and Jerome Brown materially breached the terms and conditions of the Joann Guaranty and Jerome Guaranty by failing to remit payment for the amounts due under the Note on April 23, 2015 and all subsequent payments.
35. As a result of Joann M. Brown's and Jerome Brown's material breach, Plaintiff has suffered damages.
36. Pursuant to the Joann Guaranty and Jerome Guaranty, Joann M. Brown and Jerome Brown owe the Bank the following sums that are due in principal and interest as of August 7, 2015:
- a. Principal in the amount of \$41,199.89;
  - b. Interest in the amount of \$524.63;
  - c. Late Charges in the amount of \$177.39; and
  - d. Attorneys' fees and costs incurred in bringing this action.
37. Plaintiff has paid all documentary stamp taxes as required by Florida law.
38. Plaintiff has retained the undersigned attorneys to represent it in this action and has incurred an obligation to pay its attorneys a reasonable fee for which Joann M. Brown and Jerome Brown are liable pursuant to the Joann Guaranty and Jerome Guaranty.

WHEREFORE, Plaintiff demands that judgment be entered in its favor and against Joann M. Brown and Jerome Brown, and that Plaintiff be awarded damages, including, without limitation, costs, interest, attorneys' fees, and such other relief as is just and proper.

### COUNT III – REPLEVIN OF COLLATERAL

39. Plaintiff re-alleges and incorporates by reference the allegations set forth in paragraphs 1-20 above.

40. This is an action to recover possession of personal property (the "Collateral") in Duval County, Florida, more specifically described in the UCC-1 Financing Statement. The UCC-1 Financing Statement was filed with the Florida Secretary of State evidencing to all third parties of the lien interest of Plaintiff in the Collateral (**Exhibit 5**).

41. Plaintiff is the owner and holder of the Loan Documents.

42. Plaintiff is lawfully entitled to immediate possession of the Collateral due to the default of KJB under the Loan Documents.

43. The Collateral listed on the UCC-1 Financing Statement is owned by KJB.

44. To Plaintiff's best knowledge, information and belief, the Collateral is located at the 1551 Edgewood Avenue, Jacksonville, Florida 32208. The present value of the Collateral is unknown at this time.

45. KJB has possession of and wrongfully detains the Collateral from Plaintiff. The reason for said detention is, upon Plaintiff's information and belief, obstinacy and hope of further financial gain.

46. KJB came into possession of the Collateral by the operation of its business.

47. All the conditions precedent to Plaintiff's right to recovery of damages and to replevin of the Collateral have been performed or have occurred. Plaintiff is entitled to possession of the Collateral under the Loan Documents.

48. The Collateral has not been taken for a tax assessment or fine pursuant to law, or under an execution or attachment against the property of Plaintiff.

49. Plaintiff reserves the right to seek a deficiency against KJB for any and all sums which may remain due to Plaintiff and unpaid after disposition of the Collateral described above.

50. Plaintiff has obligated to pay its undersigned attorneys a reasonable fee to their services rendered herein and is entitled to recover the same from KJB pursuant to the terms of the Loan Documents.

WHEREFORE, Plaintiff hereby prays that this Court enter an Order directing the Clerk of this Court to issue a Pre-Judgment Writ of Replevin, in accordance with Florida Statutes § 78 in favor of Plaintiff for the Collateral, and Plaintiff further demands a judgment for possession of said Collateral, damages for its detention, plus costs, expenses, attorneys' fees against KJB herein, and such other relief as is just and proper.

Respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

BRENNAN, MANNA & DIAMOND, P.L.

By: \_\_\_\_\_  
Matthew T. Jackson  
Florida Bar Number 0736459  
Alessandro A. Apolito  
Florida Bar Number 0084864  
800 West Monroe Street  
Jacksonville, Florida 32202  
(904) 366-1500  
(904) 366-1501 (facsimile)  
mtjackson@bmdpl.com  
aaapolito@bmdpl.com  
*Attorneys for Plaintiff*

<b>K.J.B. SPECIALTIES INC</b> <b>1551 EDGEWOOD AVE W</b> <b>JACKSONVILLE, FL 32209</b>	<b>THE JACKSONVILLE BANK</b> <b>100 NORTH LAURA STREET</b> <b>JACKSONVILLE, FL 32202</b>	Line of Credit No. [REDACTED] Date <u>10-15-2007</u> Max. Credit Amt. <u>50,000.00</u> Loan Ref. No. _____
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.		<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.

You have extended to me a line of credit in the  
 AMOUNT of FIFTY THOUSAND AND NO/100 \$ 50,000.00  
 You will make loans to me from time to time until \_\_\_\_\_ m. on DEMAND. Although the line of credit expires on that date, I will remain obligated to perform all my duties under this agreement so long as I owe you any money advanced according to the terms of this agreement, as evidenced by any note or notes I have signed promising to repay these amounts.  
 This line of credit is an agreement between you and me. It is not intended that any third party receive any benefit from this agreement, whether by direct payment, reliance for future payment or in any other manner. This agreement is not a letter of credit.

**1. AMOUNT:** This line of credit is:

- ☒ **OBLIGATORY:** You may not refuse to make a loan to me under this line of credit unless one of the following occurs:
- a. I have borrowed the maximum amount available to me;
  - b. This line of credit has expired;
  - c. I have defaulted on the note (or notes) which show my indebtedness under this line of credit;
  - d. I have violated any term of this line of credit or any note or other agreement entered into in connection with this line of credit;

e. \_\_\_\_\_

- ☐ **DISCRETIONARY:** You may refuse to make a loan to me under this line of credit once the aggregate outstanding advances equal or exceed \$ \_\_\_\_\_.

Subject to the obligatory or discretionary limitations above, this line of credit is:

- ☒ **OPEN-END (Business or Agricultural only):** I may borrow up to the maximum amount of principal more than one time.  
☐ **CLOSED-END:** I may borrow up to the maximum only one time.

**2. PROMISSORY NOTE:** I will repay any advances made according to this line of credit agreement as set out in the promissory note, I signed on 10-15-2007, or any note(s) I sign at a later time which represent advances under this agreement. The note(s) set(s) out the terms relating to maturity, interest rate, repayment and advances. If indicated on the promissory note, the advances will be made as follows:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**3. RELATED DOCUMENTS:** I have signed the following documents in connection with this line of credit and note(s) entered into in accordance with this line of credit:

- ☒ security agreement dated 10-15-2007 ☒ **FLORIDA UCC**  
☐ mortgage dated \_\_\_\_\_ ☐ \_\_\_\_\_  
☒ guaranty dated 10-15-2007 ☐ \_\_\_\_\_

**4. REMEDIES:** If I am in default on the note(s) you may:

- a. take any action as provided in the related documents;
  - b. without notice to me, terminate this line of credit.
- By selecting any of these remedies you do not give up your right to later use any other remedy. By deciding not to use any remedy should I default, you do not waive your right to later consider the event a default, if it happens again.

**5. COSTS AND FEES:** If you hire an attorney to enforce this agreement I will pay your reasonable attorney's fees, where permitted by law. I will also pay your court costs and costs of collection, where permitted by law.

**6. COVENANTS:** For as long as this line of credit is in effect or I owe you money for advances made in accordance with the line of credit, I will do the following:

- a. maintain books and records of my operations relating to the need for this line of credit;
- b. permit you or any of your representatives to inspect and/or copy these records;
- c. provide to you any documentation requested by you which support the reason for making any advance under this line of credit;
- d. permit you to make any advance payable to the seller (or seller and me) of any items being purchased with that advance;

e. \_\_\_\_\_

**7. NOTICES:** All notices or other correspondence with me should be sent to my address stated above. The notice or correspondence shall be effective when deposited in the mail, first class, or delivered to me in person.

**8. MISCELLANEOUS:** This line of credit may not be changed except by a written agreement signed by you and me. The law of the state in which you are located will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation.

**FOR THE LENDER**

#003 - DOWNTOWN OFFICE  
 Title THE JACKSONVILLE BANK

**SIGNATURES:** I AGREE TO THE TERMS OF THIS LINE OF CREDIT. I HAVE RECEIVED A COPY ON TODAY'S DATE.

JOHN M. BROWN  
 JOHN M. BROWN, PRESIDENT

JEROME BROWN  
 JEROME BROWN, VICE PRESIDENT

<b>K.J.B. SPECIALTIES INC</b> 1551 EDGEWOOD AVE W JACKSONVILLE, FL 32208	<b>THE JACKSONVILLE BANK</b> 100 NORTH LAURA STREET JACKSONVILLE, FL 32202	<b>LN OFFICER</b> CK#37 Loan Number <span style="background-color: black; color: black;">XXXXXXXXXX</span> Date <u>10-15-2007</u> Maturity Date <u>ON DEMAND</u> Loan Amount \$ <u>50,000.00</u> Renewal Of _____ LP INITIALS <u>CMH</u>
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of FIFTY THOUSAND AND NO/100 Dollars \$ 50,000.00

☐ **Single Advance:** I will receive all of this principal sum on \_\_\_\_\_. No additional advances are contemplated under this note.

☒ **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated. Conditions: The conditions for future advances are \_\_\_\_\_

☒ **Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on DEMAND.

☐ **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 10-15-2007 at the rate of 8.750 % per year until 10-15-2007.

☒ **Variable Rate:** This rate may then change as stated below.

☒ **Index Rate:** The future rate will be 1.000 PERCENT ABOVE the following index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE.

☐ **No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

☒ **Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 10-15-2007. A change in the interest rate will take effect ON THE SAME DAY.

☒ **Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 18.000% or less than 0.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_.

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:

☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

☐ \_\_\_\_\_

**ACCRUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).

☐ at a rate equal to \_\_\_\_\_

☒ **LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT.

☒ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: LOAN FEE, UCC, LIEN FILING FEE AND DOCUMENTARY STAMPS.

**PAYMENTS:** I agree to pay this note as follows:

**MONTHLY PAYMENTS OF ACCRUED INTEREST CALCULATED ON THE AMOUNT OF CREDIT OUTSTANDING BEGINNING ON 11-15-2007. PRINCIPAL PLUS ANY UNPAID INTEREST DUE UPON DEMAND.**

**ADDITIONAL TERMS:**

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date): FLORIDA UCC, GUARANTY, COMMERCIAL SECURITY AGREEMENT

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

**PURPOSE:** The purpose of this loan is SHORT TERM WORKING CAPITAL FOR NEW RESTAURANT

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

K.J.B. SPECIALTIES INC

Signature for Lender

  
 #003 - DOWNTOWN OFFICE, THE JACKSONVILLE BANK

  
 JOANN M. BROWN, PRESIDENT

  
 JEROME BROWN, VICE PRESIDENT

Florida Documentary Stamp Tax  
 required by law in the amount of \$ 175.00  
 has been paid or will be paid directly to no  
 the Department of Revenue.  
 Certificate of Registration No. 593571314-26-001.

**DEFINITIONS:** As used on page 1, "X" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorser, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

**APPLICABLE LAW:** The law of the state of Florida will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

**COMMISSIONS OR OTHER REMUNERATION:** I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

**PAYMENTS:** Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

**INTEREST:** Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

**INDEX RATE:** The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

**ACCRUAL METHOD:** The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

**POST MATURITY RATE:** For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

**SINGLE ADVANCE LOANS:** If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

**MULTIPLE ADVANCE LOANS:** If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed and credit, repaying a part of the principal will not entitle me to additional credit.

**PAYMENTS BY LENDER:** If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

**SET-OFF:** I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

- (1) any deposit account balance I have with you;
- (2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
- (3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

**REAL ESTATE OR RESIDENCE SECURITY:** If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

**DEFAULT:** I will be in default if any one or more of the following occurs: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

**REMEDIES:** If I am in default on this note you have, but are not limited to, the following remedies:

- (1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
- (2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-off" paragraph herein.
- (3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
- (4) You may refuse to make advances to me or allow purchases on credit by me.
- (5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

**COLLECTION COSTS AND ATTORNEY'S FEES:** I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any reasonable fee you incur with such attorney plus court costs (except where prohibited by law). I agree that reasonable attorneys' fees shall be construed to mean 10% of the principal sum named in this note, or such larger fee that the court may determine to be reasonable and just. To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

**WAIVER:** I give up my rights to require you to do certain things. I will not require you to:

- (1) demand payment of amounts due (presentment);
- (2) obtain official certification of nonpayment (protest); or
- (3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

To the extent permitted by law, I also waive my right to a trial by jury in respect to any litigation arising from this note and any other agreement executed in conjunction with this credit transaction.

**OBLIGATIONS INDEPENDENT:** I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt (represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

**FINANCIAL INFORMATION:** I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

**NOTICE:** Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
	\$		\$	\$	%	\$	
	\$		\$	\$	%	\$	
	\$		\$	\$	%	\$	
	\$		\$	\$	%	\$	
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	\$		\$	\$	%	\$	

96 100% 3 of 21

## GUARANTY

JACKSONVILLE

(City)

FLORIDA

(State)

OCTOBER 15, 2007

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce THE JACKSONVILLE BANK

(herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of K.J.B. SPECIALTIES INC.

(herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: \_\_\_\_\_

\_\_\_\_\_ and any extensions,

renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): \_\_\_\_\_

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

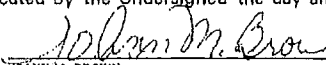
4. The liability of the Undersigned hereunder shall be limited to a principal amount of \$ UNLIMITED (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated \_\_\_\_\_;  
☐ secured by \_\_\_\_\_.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

  
JOANN M. BROWN

\*Undersigned\* shall refer to all persons who sign this guaranty, severally and jointly.

#### ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under § 1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.



## GUARANTY

JACKSONVILLE

(City)

FLORIDA

(State)

OCTOBER 15, 2007

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce THE JACKSONVILLE BANK

(herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of K.J.B. SPECIALTIES INC.

(herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: \_\_\_\_\_ and any extensions,

renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): \_\_\_\_\_

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

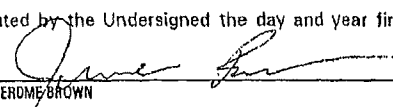
4. The liability of the Undersigned hereunder shall be limited to a principal amount of \$ UNLIMITED (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated \_\_\_\_\_;  
☐ secured by \_\_\_\_\_.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

  
JEROME BROWN

\*Undersigned\* shall refer to all persons who sign this guaranty, severally and jointly.

#### ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under § 1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

DEBTOR NAME AND ADDRESS	SECURED PARTY NAME AND ADDRESS
K.J.B. SPECIALTIES INC 1551 EDGEWOOD AVE W JACKSONVILLE, FL 32208	THE JACKSONVILLE BANK 100 NORTH LAURA STREET JACKSONVILLE, FL 32202
Type: <input type="checkbox"/> individual <input type="checkbox"/> partnership <input checked="" type="checkbox"/> corporation <input type="checkbox"/> _____ State of organization/registration (if applicable) FL _____ <input type="checkbox"/> If checked, refer to addendum for additional Debtors and signatures.	

### COMMERCIAL SECURITY AGREEMENT

The date of this Commercial Security Agreement (Agreement) is 10-15-2007.

**SECURED DEBTS.** This Agreement will secure all sums advanced by Secured Party under the terms of this Agreement and the payment and performance of the following described Secured Debts that (check one) ☒ Debtor ☐ \_\_\_\_\_ (Borrower) owes to Secured Party:

☐ **Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications, and replacements (describe):

☒ **All Debts.** All present and future debts, even if this Agreement is not referenced, the debts are also secured by other collateral, or the future debt is unrelated to or of a different type than the current debt. Nothing in this Agreement is a commitment to make future loans or advances.

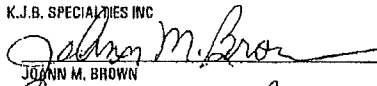
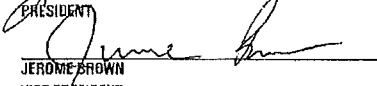
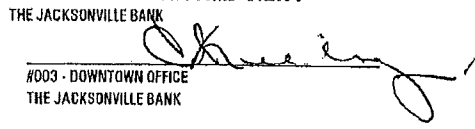
**SECURITY INTEREST.** To secure the payment and performance of the Secured Debts, Debtor gives Secured Party a security interest in all of the Property described in this Agreement that Debtor owns or has sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products of the Property. "Property" includes all parts, accessories, repairs, replacements, improvements, and accessions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property. "Proceeds" includes anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property. This Agreement remains in effect until terminated in writing, even if the Secured Debts are paid and Secured Party is no longer obligated to advance funds to Debtor or Borrower.

**PROPERTY DESCRIPTION.** The Property is described as follows:

- ☐ **Accounts and Other Rights to Payment:** All rights to payment, whether or not earned by performance, including, but not limited to, payment for property or services sold, leased, rented, licensed, or assigned. This includes any rights and interests (including all liens) which Debtor may have by law or agreement against any account debtor or obligor of Debtor.
- ☒ **Inventory:** All inventory held for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in Debtor's business.
- ☒ **Equipment:** All equipment including, but not limited to, machinery, vehicles, furniture, fixtures, manufacturing equipment, farm machinery and equipment, shop equipment, office and record keeping equipment, parts, and tools. The Property includes any equipment described in a list or schedule Debtor gives to Secured Party, but such a list is not necessary to create a valid security interest in all of Debtor's equipment.
- ☒ **Instruments and Chattel Paper:** All instruments, including negotiable instruments and promissory notes and any other writings or records that evidence the right to payment of a monetary obligation, and tangible and electronic chattel paper.
- ☒ **General Intangibles:** All general intangibles including, but not limited to, tax refunds, patents and applications for patents, copyrights, trademarks, trade secrets, goodwill, trade names, customer lists, permits and franchises, payment intangibles, computer programs and all supporting information provided in connection with a transaction relating to computer programs, and the right to use Debtor's name.
- ☐ **Documents:** All documents of title including, but not limited to, bills of lading, dock warrants and receipts, and warehouse receipts.
- ☐ **Farm Products and Supplies:** All farm products including, but not limited to, all poultry and livestock and their young, along with their produce, products, and replacements; all crops, annual or perennial, and all products of the crops; and all feed, seed, fertilizer, medicines, and other supplies used or produced in Debtor's farming operations.
- ☐ **Government Payments and Programs:** All payments, accounts, general intangibles, and benefits including, but not limited to, payments in kind, deficiency payments, letters of entitlement, warehouse receipts, storage payments, emergency assistance and diversion payments, production flexibility contracts, and conservation reserve payments under any preexisting, current, or future federal or state government program.
- ☐ **Investment Property:** All investment property including, but not limited to, certificated securities, uncertificated securities, securities entitlements, securities accounts, commodity contracts, commodity accounts, and financial assets.
- ☐ **Deposit Accounts:** All deposit accounts including, but not limited to, demand, time, savings, passbook, and similar accounts.
- ☐ **Specific Property Description:** The Property includes, but is not limited by, the following (if required, provide real estate description):

**USE OF PROPERTY.** The Property will be used for ☐ personal ☒ business ☐ agricultural ☐ \_\_\_\_\_ purposes.

**SIGNATURES.** Debtor agrees to the terms on pages 1 and 2 of this Agreement and acknowledges receipt of a copy of this Agreement.

DEBTOR	SECURED PARTY
K.J.B. SPECIALTIES INC  JOHN M. BROWN PRESIDENT  JEROME BROWN VICE PRESIDENT	THE JACKSONVILLE BANK  #003 - DOWNTOWN OFFICE THE JACKSONVILLE BANK

**GENERAL PROVISIONS.** Each Debtor's obligations under this Agreement are independent of the obligations of any other Debtor. Secured Party may sue each Debtor individually or together with any other Debtor. Secured Party may release any part of the Property and Debtor will remain obligated under this Agreement. The duties and benefits of this Agreement will bind the successors and assigns of Debtor and Secured Party. No modification of this Agreement is effective unless made in writing and signed by Debtor and Secured Party. Whenever used, the plural includes the singular and the singular includes the plural. Time is of the essence.

**APPLICABLE LAW.** This Agreement is governed by the laws of the state in which Secured Party is located. In the event of a dispute, the exclusive forum, venue, and place of jurisdiction will be the state in which Secured Party is located, unless otherwise required by law. If any provision of this Agreement is unenforceable by law, the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**NAME AND LOCATION.** Debtor's name indicated on page 1 is Debtor's exact legal name. If Debtor is an individual, Debtor's address is Debtor's principal residence. If Debtor is not an individual, Debtor's address is the location of Debtor's chief executive offices or sole place of business. If Debtor is an entity organized and registered under state law, Debtor has provided Debtor's state of registration on page 1. Debtor will provide verification of registration and location upon Secured Party's request. Debtor will provide Secured Party with at least 30 days notice prior to any change in Debtor's name, address, or state of organization or registration.

**WARRANTIES AND REPRESENTATIONS.** Debtor has the right, authority, and power to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing Debtor or Debtor's property, or to which Debtor is a party. Debtor makes the following warranties and representations which continue as long as this Agreement is in effect:

- (1) Debtor is duly organized and validly existing in all jurisdictions in which Debtor does business;
- (2) the execution and performance of the terms of this Agreement have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law or order;
- (3) other than previously disclosed to Secured Party, Debtor has not changed Debtor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name; and
- (4) Debtor does not and will not use any other name without Secured Party's prior written consent.

Debtor owns all of the Property, and Secured Party's claim to the Property is ahead of the claims of any other creditor, except as otherwise agreed and disclosed to Secured Party prior to any advance on the Secured Debts. The Property has not been used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

**DUTIES TOWARD PROPERTY.** Debtor will protect the Property and Secured Party's interest against any compelling claim. Except as otherwise agreed, Debtor will keep the Property in Debtor's possession at the address indicated on page 1 of this Agreement. Debtor will keep the Property in good repair and use the Property only for purposes specified on page 1. Debtor will not use the Property in violation of any law and will pay all taxes and assessments levied or assessed against the Property. Secured Party has the right of reasonable access to inspect the Property, including the right to require Debtor to assemble and make the Property available to Secured Party. Debtor will immediately notify Secured Party of any loss or damage to the Property. Debtor will prepare and keep books, records, and accounts about the Property and Debtor's business, to which Debtor will allow Secured Party reasonable access.

Debtor will not sell, offer to sell, license, lease, or otherwise transfer or encumber the Property without Secured Party's prior written consent. Any disposition of the Property will violate Secured Party's rights, unless the Property is inventory sold in the ordinary course of business at fair market value. If the Property includes chattel paper or instruments, either as original collateral or as proceeds of the Property, Debtor will record Secured Party's interest on the face of the chattel paper or instruments.

If the Property includes accounts, Debtor will not settle any account for less than the full value, dispose of the accounts by assignment, or make any material change in the terms of any account without Secured Party's prior written consent. Debtor will collect all accounts in the ordinary course of business, unless otherwise required by Secured Party. Debtor will keep the proceeds of the accounts, and any goods returned to Debtor, in trust for Secured Party and will not commingle the proceeds or returned goods with any of Debtor's other property. Secured Party has the right to require Debtor to pay Secured Party the full price on any returned items. Secured Party may require account debtors to make payments under the accounts directly to Secured Party. Debtor will deliver the accounts to Secured Party at Secured Party's request. Debtor will give Secured Party all statements, reports, certificates, lists of account debtors (showing names, addresses, and amounts owing), invoices applicable to each account, and any other data pertaining to the accounts as Secured Party requests.

If the Property includes farm products, Debtor will provide Secured Party with a list of the buyers, commission merchants, and selling agents to or through whom Debtor may sell the farm products. Debtor authorizes Secured Party to notify any additional parties regarding Secured Party's interest in Debtor's farm products, unless prohibited by law. Debtor agrees to plant, cultivate, and harvest crops in due season. Debtor will be in default if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetland to produce or to make possible the production of an agricultural commodity, further explained in 7 CFR Part 1940, Subpart G, Exhibit M. If Debtor pledges the Property to Secured Party (delivers the Property into the possession or control of Secured Party or a designated third party), Debtor will, upon receipt, deliver any proceeds and products of the Property to Secured Party. Debtor will provide Secured Party with any notices, documents, financial statements, reports, and other information relating to the Property Debtor receives as the owner of the Property.

**PERFECTION OF SECURITY INTEREST.** Debtor authorizes Secured Party to file a financing statement covering the Property. Debtor will comply with, facilitate, and otherwise assist Secured Party in connection with obtaining possession or control over the Property for purposes of perfecting Secured Party's interest under the Uniform Commercial Code.

**INSURANCE.** Debtor agrees to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Agreement. Debtor will maintain this insurance in the amount Secured Party requires. Debtor may choose the insurance company, subject to Secured Party's approval, which will not be unreasonably withheld. Debtor will have the insurance provider name Secured Party as loss payee on the insurance policy. Debtor will give Secured Party and the insurance provider immediate notice of any loss. Secured Party may apply the insurance proceeds toward the Secured Debts. Secured Party may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If Secured Party acquires the Property in damaged condition, Debtor's rights to any insurance policies and proceeds will pass to Secured Party to the extent of the Secured Debts. Debtor will immediately notify Secured Party of the cancellation or termination of insurance. If Debtor fails to keep the Property insured, or fails to provide Secured Party with proof of insurance, Secured Party may obtain insurance to protect Secured Party's interest in the Property. The insurance may include coverages not originally required of Debtor, may be written by a company other than one Debtor would choose, and may be written at a higher rate than Debtor could obtain if Debtor purchased the insurance.

**AUTHORITY TO PERFORM.** Debtor authorizes Secured Party to do anything Secured Party deems reasonably necessary to protect the Property and Secured Party's interest in the Property. If Debtor fails to perform any of Debtor's duties under this Agreement, Secured Party is authorized, without notice to Debtor, to perform the duties or cause them to be performed. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and take any action to realize the value of the Property. Secured Party's authority to perform for Debtor does not create an obligation to perform, and Secured Party's failure to perform will not preclude Secured Party from exercising any other rights under the law or this Agreement. If Secured Party performs for Debtor, Secured Party will use reasonable care. Reasonable care will not include any steps necessary to preserve rights against prior parties or any duty to take action in connection with the management of the Property.

If Secured Party comes into possession of the Property, Secured Party will preserve and protect the Property to the extent required by law. Secured Party's duty of care with respect to the Property will be satisfied if Secured Party exercises reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

Secured Party may enforce the obligations of an account debtor or other person obligated on the Property. Secured Party may exercise Debtor's rights with respect to the account debtor's or other person's obligations to make payment or otherwise render performance to Debtor, and enforce any security interest that secures such obligations.

**PURCHASE MONEY SECURITY INTEREST.** If the Property includes items purchased with the Secured Debts, the Property purchased with the Secured Debts will remain subject to Secured Party's security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Agreement will not be applied to the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, payments will be applied in the order Secured Party selects. No security interest will be terminated by application of this formula.

**DEFAULT.** Debtor will be in default if:

- (1) Debtor (or Borrower, if not the same) fails to make a payment in full when due;
  - (2) Debtor fails to perform any condition or keep any covenant on this or any debt or agreement Debtor has with Secured Party;
  - (3) a default occurs under the terms of any instrument or agreement evidencing or pertaining to the Secured Debts;
  - (4) anything else happens that either causes Secured Party to reasonably believe that Secured Party will have difficulty in collecting the Secured Debts or significantly impairs the value of the Property.
- REMEDIES.** After Debtor defaults, and after Secured Party gives any legally required notice and opportunity to cure the default, Secured Party may at Secured Party's option do any one or more of the following:
- (1) make all or any part of the Secured Debts immediately due and accrue interest at the highest post-maturity interest rate;
  - (2) require Debtor to gather the Property and make it available to Secured Party in a reasonable fashion;
  - (3) enter upon Debtor's premises and take possession of all or any part of Debtor's property for purposes of preserving the Property or its value and use and operate Debtor's property to protect Secured Party's interest, all without payment or compensation to Debtor;
  - (4) use any remedy allowed by state or federal law, or provided in any agreement evidencing or pertaining to the Secured Debts.

If Secured Party repossesses the Property or enforces the obligations of an account debtor, Secured Party may keep or dispose of the Property as provided by law. Secured Party will apply the proceeds of any collection or disposition first to Secured Party's expenses of enforcement, which includes reasonable attorneys' fees and legal expenses to the extent not prohibited by law, and then to the Secured Debts. Debtor (or Borrower, if not the same) will be liable for the deficiency, if any.

By choosing any one or more of these remedies, Secured Party does not give up the right to use any other remedy. Secured Party does not waive a default by not using a remedy.

**WAIVER.** Debtor waives all claims for damages caused by Secured Party's acts or omissions where Secured Party acts in good faith.

**NOTICE AND ADDITIONAL DOCUMENTS.** Where notice is required, Debtor agrees that 10 days prior written notice will be reasonable notice to Debtor under the Uniform Commercial Code. Notice to one party is notice to all parties. Debtor agrees to sign, deliver, and file any additional documents and certifications Secured Party considers necessary to perfect, continue, or preserve Debtor's obligations under this Agreement and to confirm Secured Party's lien status on the Property.

# STATE OF FLORIDA UNIFORM COMMERCIAL CODE FINANCING STATEMENT FORM

A. NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON

CHASTITY HOSMAN 904-421-3042

B. SEND ACKNOWLEDGEMENT TO:

THE JACKSONVILLE BANK  
100 N LAURA STREET  
JACKSONVILLE, FL 32202

FLORIDA SECURED TRANSACTION REGISTRY

**FILED**

2007 Oct 26 AM 12:00

\*\*\*\*\* 200706869751 \*\*\*\*\*

## 1. DEBTOR'S EXACT FULL LEGAL NAME — INSERT ONLY ONE DEBTOR NAME (1a OR 1b) — Do Not Abbreviate or Combine Names

1a. ORGANIZATION'S NAME K.J.B. SPECIALTIES INC				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1551 EDGEWOOD AVE W		CITY JACKSONVILLE	STATE FL	POSTAL CODE 32209
1d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION CORPORATION	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID# <input checked="" type="checkbox"/> NONE

## 2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME — INSERT ONLY ONE DEBTOR NAME (2a OR 2b) — Do Not Abbreviate or Combine Names

2a. ORGANIZATION'S NAME				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID# <input type="checkbox"/> NONE

## 3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) — INSERT ONLY ONE SECURED PARTY NAME (3a OR 3b)

3a. ORGANIZATION'S NAME THE JACKSONVILLE BANK				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 100 NORTH LAURA STREET		CITY JACKSONVILLE	STATE FL	POSTAL CODE 32202

4. This FINANCING STATEMENT covers the following collateral:  
ALL INVENTORY, CHATTEL PAPER, ACCOUNTS, EQUIPMENT AND GENERAL INTANGIBLES; WHETHER ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL  
ACCESSIONS, ADDITIONS, REPLACEMENTS, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND RELATING TO ANY OF THE FOREGOING;  
ALL PROCEEDS RELATING TO ANY OF THE FOREGOING (INCLUDING INSURANCE, GENERAL INTANGIBLES AND OTHER ACCOUNTS PROCEEDS)

5. ALTERNATE DESIGNATION (if applicable)	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAIOLR
	AG. LIEN	<input checked="" type="checkbox"/> NON-UCC FILING	SELLER/BUYER

## 6. Florida DOCUMENTARY STAMP TAX—YOU ARE REQUIRED TO CHECK EXACTLY ONE BOX

<input checked="" type="checkbox"/>	All documentary stamps due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid.
<input type="checkbox"/>	Florida Documentary Stamp Tax is not required.

## 7. OPTIONAL FILER REFERENCE DATA NEW LOAN

STANDARD FORM - FORM UCC-1 (REV.12/2001)

Filing Office Copy

Approved by the Secretary of State, State of Florida

21812 # 8103

# FLORIDA SECURED TRANSACTION REGISTRY

THE JACKSONVILLE BANK  
100 N LAURA ST  
10TH FLOOR  
JACKSONVILLE FL 32202

UCC number 201207442419 has been filed with the Florida Secured Transaction Registry. The expiration date for the filing is 10/26/2017.

Complete information related to the UCC filing is available on the internet at [www.FloridaUCC.com](http://www.FloridaUCC.com). It is your responsibility to review all information associated with this filing to ensure information has been recorded correctly.

**NOTICE OF FEE INCREASE:** Pursuant to Section 24, Chapter 2009-72, Laws of Florida, beginning on July 1, 2009, the fee for the first page of an initial financing statement (UCC1) was increased from \$25.00 to \$35.00. The text of Section 24, Chapter 2009-72, Laws of Florida can be viewed online at: [http://laws.flrules.org/files/Ch\\_2009-072.pdf](http://laws.flrules.org/files/Ch_2009-072.pdf). The text related to the fee increase is on page 18.

Please Note: The latest versions of the UCC forms approved by the State of Florida are available for download from : [www.FloridaUCC.com](http://www.FloridaUCC.com)

**STATE OF FLORIDA UNIFORM COMMERCIAL CODE  
FINANCING STATEMENT AMENDMENT FORM**

A NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON  
**Christine Lombardozzi 904-421-3042**

B SEND ACKNOWLEDGEMENT TO  
Name **The Jacksonville Bank**

Address **100 N Laura St**

Address **10th Floor**

City/State/Zip **Jacksonville, FL 32202**

FLORIDA SECURED TRANSACTION REGISTRY

**FILED**

**2012 Sep 04 AM 08:00**

\*\*\*\* **201207442419** \*\*\*\*

\*\*\*C \* 09041241300501-12.00\*\*\*12.00\*\*\*

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a INITIAL FINANCING STATEMENT FILE #  
**200706869751**

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed  
[for record] (or recorded) in the REAL ESTATE RECORDS

**2 CURRENT RECORD INFORMATION - DEBTOR NAME - INSERT ONLY ONE DEBTOR NAME (2a OR 2b)**

2a ORGANIZATION'S NAME  
**K.J.B Specialties Inc**

2b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

**3 CURRENT RECORD INFORMATION - SECURED PARTY NAME - INSERT ONLY ONE SECURED PARTY NAME (3a OR 3b)**

3a ORGANIZATION'S NAME  
**The Jacksonville Bank**

3b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

4. ☐ **TERMINATION** Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement

5. ☒ **CONTINUATION** Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

6. ☐ **ASSIGNMENT** (full or partial) Give name of assignee in item 9a or 9b and address of assignee in item 9c, and also give name of assignor in item 11

7. ☐ **AMENDMENT (PARTY INFORMATION)** This Amendment affects ☐ Debtor or ☐ Secured Party of record Check only one of these two boxes

Also check one of the following three boxes and provide appropriate information in items 8 and/or 9.

☐ **CHANGE** name and/or address Give current record name in item 8a or 8b, Also give new name (if name change) in item 9a or 9b and/or new address (if address change) in item 9c

☐ **DELETE** name Give record name to be deleted in item 8a or 8b

☐ **ADD** name Complete item 9a or 9b, and 9c, also complete items 9d-9g (if applicable)

**8 CURRENT RECORD INFORMATION - INSERT ONLY ONE NAME (8a OR 8b) - Do Not Abbreviate or Combine Names**

8a ORGANIZATION'S NAME

8b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

**9 CHANGED (NEW) OR ADDED INFORMATION - INSERT ONLY ONE NAME (9a OR 9b) - Do Not Abbreviate or Combine Names**

9a ORGANIZATION'S NAME

9b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

9c MAILING ADDRESS Line One

--This space not available

MAILING ADDRESS Line Two

CITY

STATE

POSTAL CODE

COUNTRY

9d TAX ID#

REQUIRED ADD'L INFO  
RE ORGANIZATION DEBTOR

9e TYPE OF ORGANIZATION

9f JURISDICTION OF ORGANIZATION

9g ORGANIZATIONAL ID#

NONE

**10 AMENDMENT (COLLATERAL CHANGE): check only one box**

Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned

**11 NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT** (name of assignor, if this is an Assignment) If this is an Amendment authorized by a Debtor, which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment

11a ORGANIZATION'S NAME  
**The Jacksonville Bank**

11b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

**12 OPTIONAL FILER REFERENCE DATA** In #2001812 #8103

# BRENNAN, MANNA & DIAMOND

ATTORNEYS & COUNSELORS AT LAW

Alessandro A. Apolito  
800 West Monroe Street ■ Jacksonville, FL 32202  
Phone: (904) 366-1500  
aaapolito@bmdpl.com

August 7, 2015

**By Federal Express**

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
1551 Edgewood Avenue, West  
Jacksonville, FL 32209

Mrs. Joann M. Brown  
Mr. Jerome Brown  
9539 Carbondale E. Dr.  
Jacksonville, FL 32208-1508

Re: Notice of Default: Loan Num [REDACTED]

Dear Mr. and Mrs. Brown,

As you know, we represent The Jacksonville Bank regarding the above referenced loan. Pursuant to the terms of the loan documents, K.J.B. Specialties, Inc. ("KJB") was required to make the following payments:

\$506.72	on April 23, 2015;
\$506.72	on May 23, 2015;
\$506.72	on June 23, 2015; and
\$506.72	on July 23, 2015.

You have failed to make the above referenced payments, thereby constituting a default under the terms of the loan documents referenced above and entitling The Jacksonville Bank to accelerate the entire balance of the loan and bring any legal actions against you and the collateral securing the loan to enforce payment thereof against you.

Further, pursuant to the personal guarantees executed by both of you, you are required to make the above referenced payments in the event of KJB's default.

Accordingly, The Jacksonville Bank hereby demands that you remit immediate payment in the amount of \$2,710.98, which includes late charges of \$177.38 and your next payment of \$506.72 that is due on August 23, 2015. If such payment is not received within five (5) business days, The Jacksonville Bank demands that you turnover the collateral securing the loan. Further, The Jacksonville Bank will accelerate the debt and has instructed us to immediately take all action to obtain payment, including instituting legal action against you, the collateral securing the loan, and seeking costs and attorneys' fees incurred in bringing the suit.

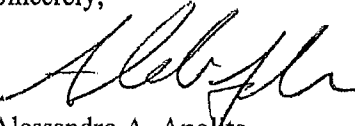


Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
August 7, 2015  
Page 2

This Notice is not a waiver of any of The Jacksonville Bank's rights, interests or remedies to which it is entitled under the loan documents or the laws of the State of Florida, and The Jacksonville Bank specifically reserves its right to avail itself of any rights, remedies or privileges provided under such agreements or by law.

We certainly hope that legal action will not be necessary and that you will work with The Jacksonville Bank to honor your obligations.

Sincerely,



Alessandro A. Apolito

**NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT**

**15 U.S.C. SECTION 1692, AS AMENDED**

1. The Plaintiff, THE JACKSONVILLE BANK, is the creditor to whom the debt is owed by those individuals who are obligated under the promissory note and mortgage.
2. The debtor may dispute the validity of this debt, or any portion thereof, within 30 days of receipt of this Notice. If the debtor fails to dispute the debt within 30 days, the debt will be assumed valid by the creditor.
3. If the debtor notifies the creditor's law firm in writing within 30 days from the receipt of this notice that the debt, or any portion thereof, is disputed, the creditor's law firm will obtain verification of the debt, or a copy of a judgment and a copy of the verification will be mailed to the debtor by the creditor's law firm. Collection efforts, resulting in additional attorney fees and costs however, will continue during this 30 day period until this office receives the written request for verification.
4. If the creditor named herein is not the original creditor, and if the debtor makes a written request to the creditor's law firm within 30 days of the receipt of this Notice, the name and address of the original creditor will be mailed to the debtor by the creditor's law firm. Collection efforts, resulting in additional attorney fees and costs however, will continue during this 30 day period until this office receives the written request for the name and address of the original creditor.
5. As of August 7, 2015, you owe a total amount of \$44,466.57 on the above referenced loan. Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your certified funds, in which

Joann M. Brown, President,  
Jerome Brown, Vice President  
K.J.B. Specialties, Inc.  
August 7, 2015  
Page 3

event we will inform you before depositing the check for collection. For further information, please call 904-366-1500.

6. Written requests pursuant to this notice should be addressed to Alessandro A. Apolito, Brennan Manna & Diamond, P.L., 800 West Monroe Street, Jacksonville, Florida, 32202.
7. This communication is for the purpose of collection a debt, and any information obtained from the debtor will be used for that purpose.
8. The Law does not require me (the debt collector) to wait until the end of the thirty-day period before suing you (the consumer) to collect this debt. Once a lawsuit is commenced, all judicial remedies will be zealously pursued and attorney fees and costs, which you may be responsible for, in whole or in part, will be incurred. If, however, you request proof of the debt or the name and address of the original creditor within the thirty-day period which begins with your receipt of this letter, the law requires me to suspend my efforts (through litigation or otherwise) to collect the debt until I mail the requested information to you. Once the requested information is mailed to you litigation efforts will resume.
9. Even though you are required to file a response to the lawsuit prior to the thirty (30) days, your validation rights, as set forth in this notice, shall not expire for thirty (30) days.

IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO: 16-2016-CA-001205

DIVISION: CV-D

AMERIS BANK, a Georgia corporation,

Plaintiff,

v.

K.J.B. SPECIALTIES, INC., a Florida  
corporation, JOANN M. BROWN, an  
individual, and JEROME BROWN, an  
individual,

Defendants.

AFFIDAVIT OF JAMES W. DAVIS

BEFORE ME, the undersigned authority personally appeared James W. Davis, who being  
by me first duly sworn, deposes and says:

1. I am over the age of 18 and have personal knowledge of the facts stated herein.
2. I am a SVP and Special Assets Manager for Ameris Bank ("Bank"), which is the  
owner and holder of the Loan Documents<sup>1</sup> referenced below.
3. I have access to the books and records kept and maintained by the Bank in regard  
to the Loan Documents described in the Motion for Final Summary Judgment. Moreover, I am  
familiar with the procedures by which these books and records are prepared and maintained in  
the ordinary course of the Bank's regularly conducted business activities.
4. I make this affidavit based upon my own personal knowledge of the facts  
involved or based on upon the books and records customarily kept and maintained by the Bank

<sup>1</sup> Capitalized terms that are not otherwise defined herein shall have the same meaning ascribed to them in the Motion  
for Final Summary Judgment.



regarding the Loan Documents entered into by Defendants.

5. I have reviewed the Motion for Final Summary Judgment, all documents referenced therein, and I have personal knowledge of the facts and allegations stated therein.

6. On or about October 15, 2007, KJB executed and delivered a Promissory Note (the "Note") and Security Agreement (the "Agreement") in the amount of \$50,000.00 in favor of Plaintiff.

7. The Note is an on demand note.

8. On or about October 15, 2007, Joann M. Brown executed and delivered a Guaranty (the "Joann Guaranty"), which guaranteed the Note and Agreement.

9. On or about October 15, 2007, Jerome Brown executed and delivered a Guaranty (the "Jerome Guaranty"), which guaranteed the Note and Agreement.

10. On or about October 26, 2007, the Bank filed a UCC-1 Financing Statement with the Florida Secured Transaction Registry evidencing its lien on the collateral described therein.

11. On or about September 4, 2012, the Bank filed a UCC-1 Financing Statement Amendment Form with the Florida Secured Transaction Registry evidencing the continuation of its lien on the collateral.

12. KJB defaulted on the terms and conditions of the Note and Agreement by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

13. Joann M. Brown defaulted on the terms and conditions of the Joann Guaranty by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

14. Jerome Brown defaulted on the terms and conditions of the Jerome Guaranty by failing to remit payment to Plaintiff on March 23, 2015 and several subsequent payments.

15. On or about August 7, 2015, Plaintiff sent notice to KJB, Joann M. Brown and Jerome Brown of the default and accelerated the balance due.

16. On or about September 10, 2015, Plaintiff sent another notice to KJB, Joann M. Brown and Jerome Brown of the default and warned of legal action if the Defendants did not fully cure the default on the loan documents.

17. KJB, Joann M. Brown and Jerome Brown failed to cure the default.

18. Plaintiff has declared the entire unpaid principal balance of the Note and immediately due and payable because of KJB's, Joann M. Brown's and Jerome Brown's default.

19. Pursuant to the Note, Agreement, Joann Guaranty and Jerome Guaranty, the Bank is entitled to recover its reasonable attorneys' fees and costs in bringing this suit.

20. The Loan Documents are valid and enforceable contracts.

21. Plaintiff owns and holds the original Loan Documents.

22. KJB, Joann M. Brown and Jerome Brown owe Plaintiff the following sums that are due in principal and interest on the Loan Documents as of January 4, 2017:

- a. Principal in the amount of \$37,490.18;
- b. Interest in the amount of \$1,399.36 (with interest accruing daily at \$4.43);
- c. Late Charges in the amount of \$253.40; and
- d. Attorneys' fees and costs incurred in bringing this action.

23. The attached statements are the Bank's records, which show the loan history and status of the loan as of January 6, 2017. See Exhibit A.

24. The statement of the loan payment history is compiled from data recorded at or near the time of the relevant events by persons with knowledge of those events, and with which statement I am personally familiar.


25. It is the Bank's regular business practice to maintain a statement of the loan payment history for each loan the Bank makes, and the Bank has record-keeping procedures in place to ensure that such statements are made accurately and in a timely manner.

26. The Bank has paid all documentary stamp taxes as required by Florida law.

27. The Bank performed all that it was required to perform, and all conditions precedent to payment have occurred or have been waived or excused.

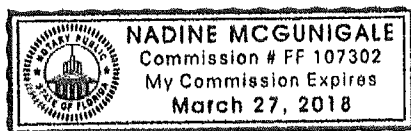
28. The Bank has engaged counsel and is obligated to pay a reasonable fee for the services thereof.


FURTHER, AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
James W. Davis,  
SVP and Special Assets Manager for Ameris Bank

STATE OF FLORIDA  
COUNTY OF DUVAL

Sworn and subscribed before me this 6 day of January, 2017, by James W. Davis, SVP and Special Assets Manager for Ameris Bank, who is personally known to me or has produced \_\_\_\_\_ as identification.



  
\_\_\_\_\_  
NOTARY PUBLIC  
Nadine McGunigale  
(Print Name)  
Notary Public, State of Florida at Large  
My Commission Expires:

Kjb Specialties Inc

2001812-1 Note - 5 Year CL All Other Loans

Amount owed: 5,067.20  
 Late charges owed: 253.40 Outstanding bills: 10

10 items: All unpaid and paid ahead bills beginning 03/23/2016

<u>Date Due</u>	<u>Paid Date</u>	<u>Billed Amount</u>	<u>Owed Amount</u>
12/23/2016		506.72	506.72
11/23/2016		506.72	506.72
10/23/2016		506.72	506.72
09/23/2016		506.72	506.72
08/23/2016		506.72	506.72
07/23/2016		506.72	506.72
06/23/2016		506.72	506.72
05/23/2016		506.72	506.72
04/23/2016		506.72	506.72
03/23/2016		506.72	506.72

**Bill Detail**

Bill due: 12/23/2016 Bill paid: 00/00/0000  
 Bill created: 12/12/2016

	<u>Billed Amount</u>	<u>Owed Amount</u>
Principal:	373.95	373.95
Interest:	132.77	132.77
Escrow:	0.00	0.00
Misc. fees:	0.00	0.00
Reserves:	0.00	0.00

Total: 506.72 506.72

Post maturity bill: No Reprint bill: No  
 Account bill: 0 Recalculate bill: No  
 Payment skipped: Right-to-cure notice:  
 ACH or Autopay transaction: 0 - Not created

**Additional Information**

Bill type: B - Bill-cycled (with bill segments) Last transaction: 800 - Reversal  
 Next bill: 01/23/2017 04/05/2016  
 Last bill: 12/23/2016 -508.72  
 Next interest bill: 00/00/0000 Next payment due: 03/23/2016  
 Last interest bill: 04/15/2013 Payment method: Paper bills  
 Note bill only: No



Kjb Specialties Inc

2001812-1 Note - 5 Year CL All Other Loans

[Change Quote...](#)**Payoff Summary**

Total payoff: 39,142.94  
As of: 01/04/2017  
Total daily accrual: 4.4259240

**Payoff Detail**

Current principal: 37,490.18  
Interest to 01/04/2017: 1,399.36      Daily accrual of 4.4259240  
Late charges: 253.40  
Total payoff: 39,142.94

**Note Information**

Category:	C - Commercial	Transactions allowed:	F - User defined
TLC:	No	Teller activity:	0.00
Participation:	No	Quote issued:	No
Interest type:	S - Simple, in arrears	Loan status:	N - Not accruing
Accrual basis:	0 - Actual/360	Interest accrual:	1,399.3648311
Earn/rebate method:	1 - Accruing (simple interest)	Interest paid to:	02/23/2016
Collateral description:	Blanket Lien On Business Assets Of The Borrower		



IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO: 16-2016-CA-001205

DIVISION: CV-D

THE JACKSONVILLE BANK, a Florida  
corporation,

Plaintiff,

v.

K.J.B. SPECIALTIES, INC., a Florida  
corporation, JOANN M. BROWN, an  
individual, and JEROME BROWN, an  
individual,

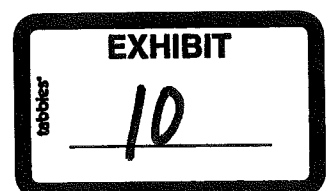
Defendants.

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**AFFIDAVIT OF ALESSANDRO APOLITO**

ALESSANDRO A. APOLITO, being by me first duly sworn deposes and says the  
following from personal knowledge:

1. Affiant is a member of the Bar of the State of Florida duly authorized to practice  
before this Court.
2. Affiant is a member of the law firm of Brennan, Manna & Diamond, P.L., the  
Plaintiff's attorney of record herein.
3. This affidavit is based upon my personal knowledge of the facts stated herein or as  
these facts appear in the business records of my firm. Those business records include  
memoranda, reports, records, or data compilations of acts, events, conditions, or opinions, made  
at or near the time by, or from information transmitted by, a person with knowledge of this  
action. Further, such records are kept in the course of the regularly conducted business activity



of our firm, and it is the regular practice of our firm to make such compilations. As an attorney with the firm and as the attorney with responsibility for representing Ameris Bank in this dispute, I routinely rely on such records in the usual course of my business activity.

4. The law firm of Brennan, Manna & Diamond, P.L. has charged Plaintiff a total of **\$6,597.00** for representation of Plaintiff in collection matters against these Defendants.

5. The work in this case was completed by attorneys and paralegals; the hourly fee basis ranges from \$110.00 - \$305.00.

6. From January 30, 2013 to June 30, 2016, the firm expended **26.5 hours** in representing Ameris Bank in this case. During this time period, the firm completed the following tasks:

- reviewing and analyzing loan documents;
- preparing demand letters;
- preparing a complaint for breaches of contract and replevin, inclusive of preparing the exhibits attached to the complaint;
- analyzing and attempting to resolve issues with opposing counsel;
- analysis of answer; and
- preparation of a motion for summary judgment.

7. Affiant and other members of the firm have expended costs in the amount of **\$1,084.17** through the date of this Motion in prosecuting this case. The costs consist of:

- |    |                     |          |
|----|---------------------|----------|
| a. | Filing Fee:         | \$437.00 |
| b. | Service of Process: | \$140.00 |
| c. | Fed Ex Charges:     | \$57.17  |


d. Research Fee: \$150.00

e. Investigative Services: \$300.00

8. Affiant calculates that the total amount of attorneys' fees and costs total **\$7,681.17** in the representation of this case.

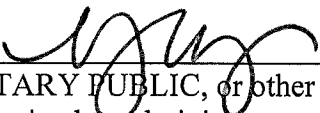
9. Affiant expects to spend another 3 hours in the prosecution of this case or approximately \$825.00.

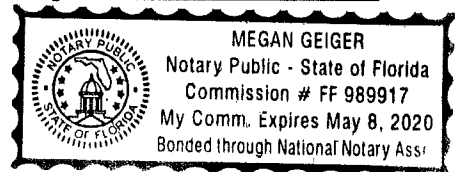
Further Affiant Sayeth Not.

  
ALESSANDRO A. APOLITO

State of Florida       )  
County of Duval       )

Sworn and subscribed before me by Alessandro A. Apolito, who is personally known,  
this 24<sup>th</sup> day of January, 2017.

  
NOTARY PUBLIC, or other person  
authorized to administer an oath  
My commission expires: \_\_\_\_\_



IN THE CIRCUIT COURT, FOURTH  
JUDICIAL CIRCUIT, IN AND FOR  
DUVAL COUNTY, FLORIDA

CASE NO: 16-2016-CA-001205

DIVISION: CV-D

THE JACKSONVILLE BANK, a Florida  
corporation,

Plaintiff,

v.

K.J.B. SPECIALTIES, INC., a Florida  
corporation, JOANN M. BROWN, an  
individual, and JEROME BROWN, an  
individual,

Defendants.

**ATTORNEYS' FEES REASONABLENESS AFFIDAVIT**

BEFORE ME, the undersigned authority, this day personally appeared Jesse S. McIntyre,  
who, being by me first duly sworn, deposes and says:

1. I am licensed to practice law in Florida and have been practicing since 2008,  
including matters in Duval County, Florida.
2. I have examined Brennan, Manna & Diamond's records for the above captioned  
case, and I am familiar with the attorneys' fees customarily charged by attorneys in Duval  
County, Florida in cases of this nature.
3. As of June 30, 2016, Plaintiff has incurred attorneys' fees in connection with:
  - reviewing and analyzing loan documents;
  - preparing demand letters;



- preparing a complaint for breaches of contract and replevin, inclusive of preparing the exhibits attached to the complaint;
- analyzing and attempting to resolve issues with opposing counsel;
- analysis of answer; and
- preparation of a motion for summary judgment.

4. Based on Plaintiff's counsel's files, Plaintiff has also incurred costs in this matter in the amount of \$1,084.17. These costs include court fees, process server fees, research fees, investigative fees, and postage.

5. Through June 30, 2016, Plaintiff has incurred a total of \$6,597.00 in attorneys' fees. Brennan, Manna & Diamond expects to incur additional fees of \$825.00 (3 additional hours at a rate of \$275.00 per hour) that Brennan, Manna & Diamond expects to expend through the completion of the hearing on the Motion for Summary Judgment.

6. In my opinion, I believe that the sum of \$7,422.00 is a reasonable attorneys' fee for the services rendered by Plaintiff's attorneys through completion of the hearing on the Motion for Summary Judgment.

7. I have considered the following factors in determining a reasonable attorneys' fee:
- a. The time and labor required by Plaintiff's attorneys in presenting the action;
  - b. The level of skill requisite to perform the legal services properly;
  - c. Whether Plaintiff's attorneys were precluded from taking other employment due to the acceptance of this case;

- d. The fee customarily charged in Duval County, Florida for cases of a similar nature and magnitude;
- e. Whether the fee is fixed;
- f. Time limitations imposed by the client and the circumstances of the matter;
- g. The amount involved in the action and the results to be obtained;
- h. The experience, reputation, and ability of the attorneys performing legal services on behalf of The Jacksonville Bank;
- i. The "undesirability" of the case;
- j. The nature and length of the professional relationship with the client; and
- k. Awards in similar cases.


8. It is also my opinion that the sum of \$1,084.17 represents a reasonable amount of costs incurred in an action of this nature.

Further Affiant Sayeth Not.

  
 \_\_\_\_\_  
 JESSE S. MCINTYRE

**STATE OF FLORIDA  
 COUNTY OF ST. JOHNS**

Sworn and subscribed before me by Jesse S. McIntyre, who is personally known ☒ or  
 produced identification \_\_\_\_\_ Type of identification produced \_\_\_\_\_, this  
23<sup>rd</sup> day of January, 2017.

  
 \_\_\_\_\_  
 NOTARY PUBLIC  
 My commission expires: \_\_\_\_\_

