

ASSIGNMENT OF ACCOUNT AGREEMENT

THIS AGREEMENT (the "Agreement") is by and between Public Defender Lender, Inc., an Alabama corporation ("Company") and the undersigned ("Assignor"), as follows:

WITNESSETH:

WHEREAS, Assignor, a licensed attorney in good standing with the Bar of each state in which Assignor practices, is desirous of having Company advance a portion of an Eligible Account (as such term is defined hereinafter), and assign such Eligible Account to Company as security for the advance; and

WHEREAS, Company is willing to make such advance based upon the security of the Eligible Account which Company deems acceptable, in its sole discretion, from time to time, pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Assignor and Company agree as follows:

1. Definitions. In addition to the terms elsewhere defined in this Agreement, the following terms shall have the following respective meanings, unless the context clearly indicates a different meaning:

"Account" or "Accounts" means all rights of the Assignor to payment for services rendered, whether now existing or hereafter arising.

"Account Debtor" means a client of Assignor for whom services have been rendered, and the party with whom the Assignor has contracted on behalf of the client, in connection with payment of an Account.

"Eligible Accounts" means those Accounts of the Assignor, each of which meets the following requirements:

(i) such Account arose in the ordinary course of the Assignor's business;
(ii) the right to payment has been fully earned by completed performance;
(iii) any fee claim has (a) either been filed with the court or Clerk of Court and will be noted as subject to assignment; or (b) will be filed with the appropriate court or Clerk of Court within 3 business days of executing the assignment;

(iv) such Account is not subject to any offset, defense, counterclaim, credit, allowance or adjustment;

(v) the Assignor's title to such Account is absolute and is subject to no

assignment, claim, lien or security interest, other than in favor of the Company;

(vi) the full amount reflected on the Assignor's books and on any invoice or statement delivered to Company related to such Account is owing to the Assignor and no payment has been made thereon;

(vii) such Account is payable not more than one-hundred twenty (120) days from the date of assignment of the Account to Company;

(viii) such Account did not arise out of a contract or ethical obligation containing provisions prohibiting assignment thereof;

(ix) the Assignor has not received any note, trade acceptance, draft or other instrument with respect to or in payment of the Account or any chattel paper with respect to the services giving rise to the Account, and if any such instrument or chattel paper is received, the Assignor will immediately notify the Company and, at the Company's request, endorse or sign and deliver the same to the Company;

(x) there are no liens of any type that are subject to the Account; and

(xi) the Account, fee declarations, and the like are valid, have not exceeded any statute of limitations and are not duplicated.

2. Assignment of Eligible Accounts. Subject to acceptance by the Company in its sole discretion, Assignor hereby assigns, transfers, sets over, conveys and delivers to Company, with recourse, and Company purchases:

(a) the assigned Account or Accounts set forth on the attached Assignment of Account and such additional Assignments of Account from time to time hereafter assigned by Assignor and accepted by Company (the "Assigned Accounts");

(b) all proceeds, guaranties, security and all of Assignor's interest in the services giving rise to such Assigned Accounts and all related insurance;

(c) any items substituted therefore as replacements; and,

(d) all additions thereto.

If accepted, Eligible Accounts assigned and received by Company hereunder may be transferred by individual assignments or by such other instruments as Company may from time to time request. Assignor guarantees the timely payment of the full amount of each assigned Account. In the event that Assignor is called upon to honor this guaranty, and fully performs, each Account paid by Assignor under this guaranty, shall be reassigned, without recourse, to Assignor by Company.

3. Advance and Assignment Fee. The amount to be paid by Company for each accepted Assigned Account submission hereunder shall be the gross amount of such Eligible Account less a ten percent (10%) assignment fee, or such other fee as set forth in each Assignment of Account.

4. Services Rendered. All services rendered by Assignor will be made in Assignor's name with notification to Account Debtors that Assigned Accounts accepted by Company have been assigned to Company. Invoices and statements to Account Debtors are to be sent out by Assignor in a manner and on forms

approved by Company, and Company has the right and privilege to send such invoices or statements to Account Debtors, if it so chooses, with cost of stationery and postage charged to the account of the Assignor. All invoices are to be clearly marked in a manner specified by Company, giving full notification to the Account Debtor that the Account is payable by Account Debtor directly to Company at P. O. Box 1788, Pelham, AL 35124. Company has the right to institute and maintain actions in its name, in the name of Assignor or otherwise to collect such Accounts at the cost and expense, including attorney's fees, of Assignor.

5. Representation, Warranties and Agreements. Assignor represents, warrants, and agrees that:

(a) The Assignor is a practitioner duly and validly licensed to practice law in a state within the United States of America, and in good standing under the laws of each licensed state. The Assignor has all requisite authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement will constitute a legal, valid and binding agreement of the Assignor and Assignor's law firm enforceable in accordance with its terms.

(b) The Assignor will provide written notification and specific details to Company of any ethical, criminal, civil, or disciplinary inquiry or complaint against Assignor or change in the good standing in any state within which the Assignor is licensed within 5 days of such incident.

(c) With respect to each Account assigned to Company hereunder:

(1) the amount shown on Assignor's books and on any invoices or statements delivered to Company is a legally enforceable debt owed by Account Debtor to Assignor;

(2) the title of Assignor to the Account is absolute;

(3) the Account has not been transferred to any other person, and no person, except Assignor, has any claim thereto;

(4) no partial payment has been made by anyone on such Account;

(5) no setoff, counterclaim or defense to such Account exists and no agreement has been made with any person or entity under which any deduction or discount may be claimed;

(6) any fee declaration has been filed with the appropriate court or Clerk of Court or will be filed with the appropriate court or Clerk of Court within three business days of assignment;

(7) should any funded fee declaration or Account not be paid from the original source within 120 days from the date of assignment, then Assignor will make immediate payment of the amount initially funded and associated fees to Company.

(d) Assignor will execute any financing statement, Fee Declaration or other document and do any act or pay any costs which Company deems necessary to protect its interest under this Agreement.

(e) Assignor will give Company ten (10) days prior written notice of any change in location of Assignor's principal office, the addition of any new places of business and their addresses, any name change or the addition of any name under which it does business.

(f) Assignor agrees to indemnify and hold Company harmless from and against any misrepresentation or breach of warranty hereunder by Assignor, any dispute resulting in liability, loss, expense, cost or attorney's fees caused by or arising out of the rejection of any work performed or services rendered, or any alleged claim, defense or set off of every kind and nature asserted by any Account Debtor.

6. Accounts. The Assignor and the Company agree as follows with regard to the Eligible Accounts submitted by Assignor and accepted by Company:

(a) Upon the acceptance by Company of an Assigned Account, Assignor shall notify the party responsible for payment by Fee Declaration or other means, that the Account and all rights to payment thereunder have been assigned to the Company. The books and records of the Assignor shall show that the Accounts are assigned to the Company and that all payments and collections with respect to Assigned Accounts shall be paid directly to the Company.

(b) All payments made with respect to an Assigned Account shall be made directly to Company. If the Assignor should receive full or partial payment on any Assigned Account or any Assigned Account proceeds, the Assignor will immediately upon receipt deliver such payment or proceeds to the Company. The Assignor agrees that all such payments or proceeds while in the hands or possession of the Assignor shall be held in trust for the benefit of the Company.

(c) The Company shall not, under any circumstances, or in any event whatsoever, have any liability for any error, omission or delay of any kind occurring in the settlement, collection or payment of any Account or of any instrument received in full or partial payment thereof or in dealing with any lien, security or guaranty of any such Account.

(d) The Assignor shall not, without the express written consent of the Company, release, compromise or adjust any Assigned Account, or any guaranty, security or lien therefore, or grant any discounts, allowances or credits thereon, or bring any suit or enforce payment thereof.

(e) The Company shall have the right, but not the obligation, at any time, at its option, to collect any or all of the Assigned Accounts, directly or through its agents or attorneys. For such purposes, the Assignor hereby irrevocably makes, constitutes and appoints the Company its true and lawful

attorney in fact with full power to sell, transfer, set over, comprise, discharge or extend the whole or any part of any Assigned Account, and to do all acts or things necessary or incidental thereto, including but not limited to, the right to bring suit, endorse or sign the Assignor's signature and draw funds directly from any bank account of the Assignor, contact and change any mailing address pertaining to the fee declaration or payment method or routing information or wire transfer information, notify any court or Account Debtor of the Assignor's obligation and offset that obligation. The Assignor hereby ratifies and confirms all that the Company or its agents shall do by virtue of this power of attorney, which is coupled with an interest and, therefore, irrevocable, until all Assigned Accounts have been paid or satisfied in full, all obligations of Assignor have been satisfied in full, and this Agreement is terminated. The Company has no obligation to take the actions authorized by this power of attorney.

7. Power of Attorney. In addition to the preceding paragraph, Assignor does hereby constitute and appoint Company its true and lawful attorney with power to receive, open and dispose of all mail addressed to Assignor in Company's possession, and does hereby further authorize and empower Company to endorse the name of Assignor upon all remittances payable to Assignor with respect to Accounts purchased hereunder and to sign and endorse the name of Assignor on any invoice, assignment of Accounts sold, claims, request for payment, financing statements in favor of Company, checks, drafts, money orders and any other instrument or document which will facilitate payment of any Account purchased hereunder. Also, Company shall have the right to collect any default account balance by endorsing/signing the Assignor's signature and draw funds directly from any bank account of the Assignor, contact and change any mailing address or payment method or routing information or wire transfer information from an Account Debtor of the Assignor, from the State Comptroller or from any other Account Debtor, open any U.S. mail or other correspondence believed to be negotiable instruments or other documents relating to the fee declarations or Account. Company shall have the right to notify any court or Account Debtor of the Assignor's obligation and offset that obligation with any Account. Assignor specifically gives Company the full authority to contact the State Comptroller, U.S. Treasury, any government or civilian entity, or other Account Debtor and to have that Account Debtor provide any and all information, either written or otherwise, to Company as part of the collection effort. Assignor will hold Company harmless and will indemnify Company of any expense or attorney fees associated with this power of attorney or collection effort. It is understood that this power is coupled with an interest and is irrevocable. Assignor further grants Company, at the cost and expense of Assignor, the right to file and renew any UCC financing statement or other document to protect Company and/or to give notice of Company's interest in the Assigned Accounts. Cost of any filings will be the sole responsibility of Assignor.

8. Books and Records. Assignor shall keep proper and accurate books, accounts, correspondence, records and papers pertaining to all Accounts of Assignor and shall make proper entries on its books and records disclosing to Company the sale of the Eligible Accounts accepted by Company. Company may at all reasonable times inspect, verify and audit Assignor's books and records.

9. Financial Statements and other Documents. Assignor shall furnish from time to time as required by Company, statements showing its financial condition,

including, without being limited to, income statements and balance sheets.

10. Termination. This Agreement may be terminated by Company without cause, and pursuant to Assignor's guaranty set forth in Paragraph 2 above, any outstanding balance will be due within thirty (30) days of such notice. During the termination period, Company does not waive any of its rights under this Agreement and the terms and rights under this Agreement will continue until such balance is paid in full by Assignor. Assignor may terminate this Agreement by providing written notice to Company along with the entire guaranteed amount due. Assignor has the obligation to contact Company for the final balance and that balance will be good for three (3) days. Should the entire balance not be paid then the Agreement is not terminated.

11. Attorney's Fees and Expenses. Company shall be entitled to recover from Assignor reasonable attorneys' fees, court costs, and all other expenses which may be incurred by Company in the enforcing of this Agreement or the provisions of any related documents, the collections of any disputed or undisputed balance under this Agreement, whether or not an action is commenced. Further, Company shall be entitled to additional reasonable attorney's fees for any appeal or in bankruptcy proceedings.

12. Security Interest, Enforcement, and Default.

(a) As security for the due and punctual payment and performance by Assignor of all obligations under this Agreement, together with all costs and expenses (including attorney's fees) incurred by Company in connection with the enforcement by Company of its rights hereunder, Assignor hereby grants to Company a security interest in and to the following property of Assignor:

(i) All Assigned Accounts, wherever located or situated and whether now existing or hereafter arising or whether now owned or hereafter at any time acquired by Assignor, all sums of money due or becoming due on such Accounts, all guaranties and security for such Accounts, all of Assignor's interest in the services giving rise to such Accounts and the rights pertaining to such services, including without limitation the right of stoppage in transit and all related insurance, any items substituted therefore as replacements and all additions thereto;

(ii) All of Assignor's records, instruments, chattel paper, general intangibles and contract rights associated with the Assigned Accounts;

(iii) All proceeds of any of the foregoing, including but not limited to insurance proceeds; and

(iv) Any fee declaration payments or Assigned Accounts that have not been paid to Company.

(b) If Assignor breaches any warranty made in this Agreement or fails to observe or perform any of the provisions of this Agreement, Assignor shall be in default, and Company may proceed to enforce payment and exercise any

and all of rights and remedies including but not limited to request for information on each and every account or fee declaration, demand for immediate payment of the entire balance, file suit in a court of law, seek a pre-judgment writ of execution or other similar seizures from Assignor and Assignor hereby waives any security bond requirement. In the event of a default by Assignor, Company shall also have the right to take all actions necessary to collect the Accounts directly from the Account Debtors, to include but not be limited to, the State Comptroller, State Treasurer, or the government entity charged with accounts payable of such accounts. Assignor waives any bond requirement that Company would normally be required to secure from any court, statute, or law to enforce this provision and will hold Company and any other party harmless.

(c) In addition to the other provisions contained in this Agreement, an account is considered to be in default if:

(i) Payment from an Account or fee declaration is paid to Assignor by a state comptroller, government entity, obligor, or such, and the original check is not forwarded to Company within 3 days;

(ii) Assignor keeps any money that should have been applied to an Assigned Account;

(iii) Assignor negotiates any payments from a paying entity that should have been forwarded to Company;

(iv) Assignor provides Company with accounts or fee declarations that are less than full value, or do not meet the definition of an "Eligible Account";

(v) Assignor provides Company with any accounts that are less than the values shown on the assignment submission, are duplicates of other billings, are billed at a rate not authorized by the paying authority, are past the statute of limitation, are not as valued, are claimed by a third party, are unlawful, are subject to a lien, have had their value inflated, have already been paid by the obligor, or provides Company with an account or fee declaration that is not eligible under the terms of this Agreement;

(vi) Assignor submits accounts or fee declaration to Company and has not filed all of the previous fee declarations that have been submitted;

(vii) Assignor has not filed the fee declaration(s) with all required documentation with the appropriate court or Clerk of Court within three (3) business days of the Assignment submission;

(viii) Assignor does not comply with requests for additional information made by Company or its attorney within the time specified on such request.

13. Survival of Representations and Warranties. All covenants and warranties

made herein and in any certificates or documents delivered pursuant hereto shall survive and shall continue in full force and effect so long as any Accounts assigned hereunder are outstanding and unpaid, until all amounts due to Company under this Agreement are paid in full and until this Agreement is terminated. Assignor hereby waives any bond requirement for the collection, lien, or claim of this account in any court.

14. Further Assurances. Upon the request of Company, Assignor shall duly execute and deliver, or cause to be duly executed and delivered, at the cost and expense of Assignor, such further instruments as may be necessary or proper, in the judgment of Company, to carry out the provisions and purposes of this agreement.

15. No Delay. No delay on the part of the Company in exercising any power or right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right.

16. Notices, Etc. Any notice, request or demand hereunder shall be in writing and shall be deemed to have been received by Assignor and Company and shall be effective on the date on which delivered to Assignor or Company at the address specified (or at such other address as such party shall specify to the other party in writing), or, if sent by registered or certified mail return receipt requested, shall be effective on the date on which mailed, addressed to such party at such address:

In the case of Assignor:

In the case of Company

Public Defender Lender, Inc.

P.O. Box 1788

Pelham, AL 35124

17. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, this Agreement shall be enforced to the extent that same is deemed to be enforceable by said court, as if originally executed in that form by the parties hereto. The validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Should any provision of this Agreement be redundant or inconsistent with any other provision of this Agreement then it is the agreement of the parties that the provision that benefits Company shall prevail.

18. Governing Law. The laws of the State of Alabama shall govern the rights of the parties to this Agreement and the validity, construction, enforcement and interpretation of this Agreement.

19. Consent to Jurisdiction and Waiver. All parties to this Agreement

acknowledge that they have had significant contact with the State of Alabama for the purposes of subject matter and personal jurisdiction on the Alabama court or the Federal Courts that are located within the State of Alabama. Company and Assignor submit to the jurisdiction of the State or Federal Courts for Shelby County, Alabama, for the purpose of deciding any questions, disputes or causes, arising under this Agreement, and in the event Assignor is not qualified to do business in the State of Alabama, the Secretary of State of Alabama is hereby designated as Assignor's agent for service of process for any actions commenced under or to enforce this Agreement in the State of Alabama, provided that a copy of any such process shall be mailed to Assignor in accordance with the notice provisions of this Agreement. Assignor acknowledges that Assignor is a sophisticated business person and has experience in this type of agreement, and has had access to Assignor's attorneys for advice; and, further independently agrees and on advice of counsel, intelligently waives any and all defenses and rights he may have to defend or proceed with an action under this clause, to include but not be limited to, change of venue, unreasonable restriction on trade and practice, restriction of a licensed professional, non-jurisdiction of the court, non-jurisdiction of the court for a pre-judgment writ of execution, liens or judgments levied on a payor entity, jurisdiction of property, against public policy, and will not challenge any exporting of any judgment obtained in the State of Alabama State Court or Federal Court. In the event of any breach or threatened breach by Assignor or agent, Company may obtain, in addition to any other legal remedies which may be available, such equitable relief as may be necessary to protect Company against any such breach or threatened breach.

20. Plurality and Gender. The use of the singular herein shall be deemed to include the plural and vice versa, and the use of the neuter shall be deemed to include the masculine or feminine, and vice versa.

21. No Assumption or Obligations of Assignor. It is expressly agreed that Company does not expressly or implicitly assume any contractual or other duty, obligation or liability of Assignor to Account Debtor or to any other person or entity.

22. Other Legal Rights, Waivers and Misc.

(a) IT IS HEREBY UNDERSTOOD AND AGREED that the Assignor grants full power of attorney to collect any amount from any entity, including but not limited to, a bank, state government, comptroller, treasurer, or like in order to satisfy any balance owed to Company and will hold such entity and Company harmless and therefore not a party to this contract or legal matter. Should Assignor nonetheless attempt to hold any party liable despite this Agreement then Assignor will be liable for the attorney fees and other cost to defend the third party.

(b) Assignor hereby submits to any liens or garnishments to collect any balance owed to Company under this Agreement from any third party wherever located either intrastate or interstate. This submission to liens or garnishments shall include but is not limited to any pre-judgment writ of execution. Assignor will hold such third party harmless. Should Assignor nonetheless attempt to hold any party liable despite this Agreement then Assignor will be liable for the attorney fees for Company as well as other costs to defend the third party.

(c) IT IS HEREBY UNDERSTOOD AND AGREED by the signatory to this instrument that under the foregoing Agreement, no payments for invoices or vouchers which have been assigned to Company are to be collected by the Assignor and not subsequently paid to Company.

(d) The parties to this Agreement agree that should the Assignor breach this Agreement, Company shall have the right to claim damages in the amount of no less than 1 times the balance due before a lawsuit is commenced and no less than 3 times the pre-lawsuit balance if a lawsuit is commenced. Nothing contained in this clause shall otherwise limit any claim by Company.

(e) The parties to this instrument agree that Company has equitable ownership in the fee declarations and all supporting documentation. This ownership includes but is not limited to the time sheets and files that were used to calculate the value of the claim. Assignor hereby waives any claim of confidentially or any other defenses as to why Company should not have possession of such documentation and/or files. Parties acknowledge that this itemization is required as additional supporting documentation for all C-62A Forms of the State of Alabama Unified Judicial System and similar forms and supporting documentation in other jurisdictions, in order to give value to each fee declaration and that these itemizations are generally placed into the individuals' file and made public record.

(f) Should an attorney for Company intervene with the enforcement of this Agreement or other agreements of the parties then Assignor understands and agrees that any payment made subject to an agreement will be payable to the designated office of such attorney; however, should any check or money order or the like not be made payable to Company, then the funds will be deposited into the account of the designated attorney for the use of Company; and, therefore, Assignor will have no claim against anyone for such and therefore the endorsement is appropriate under a separate agreement between Company and the designated attorney and any claim for such endorsement or deposit is void and subject to the terms and conditions of this Agreement.

(g) Should Assignor or third party at the request of Assignor demand/request an accounting of any Account or dispute any balance, then the cost of such accounting shall be at the expense of the Assignor, and no such accounting shall be conducted unless such funds are provided in advance.

23. Bankruptcy Saving Clause. The parties agree that the subject matter contained in this Agreement is not the type that is traditionally dischargeable in bankruptcy court due to but not limited to, the security interest, purchase money security interest, theft of property, and theft by deception, fraud, misrepresentation, unjust enrichment, and the like. In consideration of this Agreement, Assignor will reaffirm any debt to Company should Assignor file bankruptcy. Assignor hereby waives any personal or other exemptions should bankruptcy be pursued or obtained.

24. Modification of Terms. You also agree that the Assignment of Accounts Agreement may be modified from time to time, and that your continued submission of Accounts for assignment following such modification, shall constitute your consent to modified terms.

25. Assignment of Accounts Agreement Acceptance. Accepting the Assignment of Accounts Agreement does not approve the Assignor for the submission of cases. Company reserves the right to not open an account or to close an account at any time, in its sole discretion.

26. Headings. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning, limit the terms, limit the application throughout this Agreement, or act as an interpretation of the parties' intent.