

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Linger Longer Development Company		10/16/2002	CORPORATION: GEORGIA

RECEIVING PARTY DATA

Name:	Fleet National Bank
Street Address:	100 Federal Street
Internal Address:	Attn: Real Estate Division
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02110
Entity Type:	INC. ASSOCIATION: UNITED STATES

PROPERTY NUMBERS Total: 4

Property Type	Number
Registration Number:	1710421
Registration Number:	1698103
Registration Number:	1703808
Registration Number:	1703732

CORRESPONDENCE DATA

Fax Number: (404)527-4198
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 404-527-4000
 Email: lsandgren@mckennalong.com
 Correspondent Name: McKenna Long & Aldridge LLP
 Address Line 1: 303 Peachtree St., NE

CH \$115.00 1710421

Address Line 2: Suite 5300
Address Line 4: Atlanta, GEORGIA 30308

ATTORNEY DOCKET NUMBER:

2070.207

NAME OF SUBMITTER:

Adam G. Mersereau

Total Attachments: 26

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PREPARED BY AND
AFTER RECORDING RETURN TO:
Heather D. Poisson, Esq.
McKenna Long & Aldridge LLP
303 Peachtree Street, N.E.
Suite 5300
Atlanta, Georgia 30308

**DEED TO SECURE DEBT
AND SECURITY AGREEMENT**

THIS INSTRUMENT (this "Instrument") is made and entered into as of this 16th day of October, 2002, by and between LINGER LONGER DEVELOPMENT COMPANY, a Georgia corporation, having a mailing address of 100 Linger Longer Road, Greensboro, Georgia 30642 ("Obligor"), and FLEET NATIONAL BANK, a national banking association ("Fleet"), having a mailing address of 100 Federal Street, Boston, Massachusetts 02110, Attn: Real Estate Division, as Agent for itself and each other lender (collectively, the "Banks") which is or may hereafter become a party to that certain Revolving Credit Agreement, dated of even date herewith, by and among Obligor, Fleet, as Agent and the Banks (as the same may be varied, amended, restated, renewed, consolidated, extended or otherwise supplemented from time to time, the "Credit Agreement") (Fleet, in its capacity as Agent, is hereinafter referred to as "Agent").

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the indebtedness and other obligations of Obligor hereinafter set forth, Obligor does hereby grant, bargain, sell, convey, assign, transfer and set over unto Agent, for the ratable benefit of Banks and their successors and assigns all of the following described land and interests in land, estates, easements, rights, improvements, property, fixtures, equipment, furniture, furnishings, appliances, general intangibles, and appurtenances (collectively, the "Property"):

(a) All those tracts or parcels of land and easements more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Land").

(b) All present and future buildings, structures, annexations and improvements of every nature whatsoever now or hereafter situated on the Land, including, without limitation, all tennis courts, pools, water towers, pump houses, and waste treatment centers (hereinafter referred to as the "Improvements") and all materials intended for construction, reconstruction, alteration and repairs of the Improvements now or hereafter erected, all of which materials shall be deemed to be included within the Improvements immediately upon the delivery thereof to the Land, and all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures, incinerating, sprinkling, and waste removal systems, carpeting and other floor coverings, fire extinguishers and any other safety equipment required by governmental regulation or law, washers, dryers, water heaters, mirrors, mantels, air conditioning apparatus, refrigerating plants, refrigerators, cooking apparatus and appurtenances, storm windows and doors, window and door screens, awnings and storm sashes, which are or shall be owned by Obligor and attached to said buildings, structures or improvements and all other furnishings, furniture, glassware, tableware, uniforms, linen, drapes and curtains and related hardware and mounting devices, wall to wall carpeting, radios, lamps, pool tables, playground equipment, telephone systems, televisions and television systems, computer systems, fixtures, machinery, equipment, apparatus, appliances, books and records (including, without limitation promotional material, user data, marketing and leasing material and forms, market studies, keys, reservation records and guest ledgers whether in hard copy form or in computerized data storage form), golf, turf care, and lawn equipment (including, without limitation, mowers, grinders, trailers, tractors, spreaders, screeners, trenchers, blowers, backhoes, sprayers, trucks, groomers, rollers, reelmasters, harvesters, fork lifts, reels, pickers, ball washers, generators, green rollers, tennis ball machines, sod cutters, mules, pressure washers, tees, benches, course markers, water coolers, flags, cups, poles, and bells), boats, vehicles, motorcycles, jet skis, chattels, inventory, accounts, farm products, consumer goods, general intangibles and personal property of every kind and nature whatsoever now or hereafter owned by Obligor and located in, on or about, or used or intended to be used with or in connection with the use, operation or enjoyment of the Property, including all extensions, additions, improvements, betterments, after-acquired property, renewals, replacements and substitutions, or proceeds from a permitted sale of any of the foregoing, together with the benefit of any deposits or payments now or hereafter made by Obligor or on behalf of Obligor, all of which are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Property as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Instrument.

(c) All easements, access rights, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, irrigation systems (including, without limitation, underground wiring, pipes, pumps and sprinkler heads), minerals, flowers, plants, shrubs, crops, trees, timber, greens, tees, and fairways, practice putting greens, practice driving areas, fairways, roughs, sand traps, bunkers, fences, signs, bridges, fountains, monuments and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, privileges, liberties, servitudes, licenses, tenements, hereditaments and appurtenances, reversion and reversions, remainder and remainders, whatsoever, in any way belonging, relating or appertaining to the Land or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Obligor.

(d) All income, rents, issues, profits and revenues of the Property from time to time accruing (including, without limitation, all payments under leases or tenancies (collectively, the "Leases"), proceeds of insurance, condemnation payments, tenant security deposits whether held by Obligor or in a trust account, escrow funds, fees, charges or other payments for the use or occupancy of rooms or other facilities located on the Land, license fees, green fees, cart fees, trail fees, accounts, royalties, security deposits from time to time accruing, all payments under working interests, production payments, royalties, overriding royalties) operating interests, participating interest and other such entitlements, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Obligor of, in and to the same; reserving only the right to Obligor to collect the same (other than insurance proceeds and condemnation payments) so long as Obligor is not in default hereunder.

(e) All transferable building service, building maintenance, construction, development, management, indemnity, and other similar agreements and contracts and subcontracts, written or oral, express or implied, now or hereafter entered into, arising or in any manner related to the purchase, construction, design, improvement, use, operation, ownership, occupation, enjoyment, sale, conversion or other disposition (voluntary or involuntary) of the Property, or the buildings and improvements now or hereafter located thereon, or any other interest in the Property, or any combination thereof, including without limitation all membership contracts (including, without limitation, all agreements governing or creating memberships in Reynolds National Club), property management agreements, cable television agreements, contracts for the purchase of supplies, telephone service agreements, yellow pages or other advertising agreements, airline agreements, corporate account agreements, travel agency agreements, convention reservation agreements, sales contracts, construction contracts, architects agreements, general contract agreements, design agreements, engineering agreements, technical service agreements, sewer and water and other utility agreements, including, without limitation, the agreements relating to sewer, water and other utilities listed on Exhibit "B" hereto, service contracts, advertising contracts, agreements relating to the collection of receivables or use of customer lists, all bookings and reservations for space or facilities within the Property or other information, all purchase options, option agreements, rights of first refusal, contract deposits, earnest money deposits, prepaid items and payments due and to become due thereunder, and further including all payment and performance bonds, labor, deposits, assurances, construction guaranties, guaranties, warranties, indemnities and other undertakings, architectural plans and specifications, drawings, surveys, soil reports, engineering reports, inspection reports, environmental audits and other technical descriptions and reports relating to the Property, renderings and models, permits, including, without limitation the permits listed on Exhibit "B" hereto, consents, approvals, licenses, including, without limitation the licenses listed on Exhibit "B" hereto, variances, agreements, contracts, building permits, purchase orders and equipment leases, personal property leases, and all causes of action relating thereto.

(f) All deposit accounts, instruments, accounts receivable, documents, causes of action, claims, names by which the Property or the improvements thereon may be operated or known, all rights to carry on business under such names, all telephone numbers or listings, all rights, interest and privileges of which Obligor may have as developer or declarant under any covenants, restrictions or declarations now or hereafter relating to the Property or the improvements thereon, including, without limitation all rights of Obligor under the documents listed on Exhibit "C" attached hereto including, without limitation, all rights of Obligor as the

“Company” under such documents, and all notes or chattel paper now or hereafter arising from or by virtue of any transactions relating to the Property or the improvements located thereon and all customer lists, other lists, and business information relating in any way to the Property or the improvements thereon or the use thereof, whether now owned or hereafter acquired;

(g) All assets related to the ownership or operation of the Property or the improvements now or hereafter erected thereon, including, without limitation, accounts (including, without limitation, health-care-insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, documents, general intangibles (including, without limitation, payment intangibles, and all current and after acquired registered copyrights, copyright rights, advertising materials, web sites, and web pages, software and software licenses, registered trademarks and service marks, trademark rights, trademark applications, service mark rights, service mark applications, trade dress rights, company names, and all domain names, owned or used in connection with the Borrower’s business, and in each case all goodwill associated therewith, including, without limitation, U.S. Service Mark Registration Nos. 1710421, 1698103, 1703808, and 1703732, Georgia Service Mark Registration Nos. S10564, S10535, S10534, S10533 (but excluding any trademarks, service marks, registrations or applications therefor for “The Oconee Club at Reynolds Plantation” that is used exclusively in connection with the Obligor’s Oconee Club golf course), and the domain names “www.reynoldsgolf.com” and “www.reynoldsplantation.com” and software), goods (including, without limitation, inventory, property, possession, equipment, fixtures and accessions), instruments (including, without limitation, promissory notes), investment property, letter-of-credit rights, letters of credit, money, supporting obligations, as-extracted collateral, timber to be cut and all proceeds and products of anything described or referred to above in this Subsection (g), in each case as such terms are defined under the Uniform Commercial Code as in effect in the applicable jurisdiction.

(h) All rights of the Obligor under the By-Laws of Reynolds Plantation Owner’s Association, Inc. and the Articles of Incorporation of Reynold’s Plantation Owners Association, Inc.

(i) All cash funds, deposit accounts and other rights and evidence of rights to cash, now or hereafter created or held by Agent pursuant to this Instrument, the Credit Agreement or any other of the Loan Documents (as defined in the Credit Agreement).

(j) All memberships, membership fees, membership deposits, or other fees, deposits, dues, user charges or revenues relating to (i) any club or membership rights in any club created by Obligor whether now existing or hereafter created, including, without limitation, deposits for any class of membership in the Reynolds National Club, including, without limitation, a Reynolds National Membership, a Great Waters/Plantation Membership, a Plantation Membership, a Social Membership, or a Sport and Boating Membership, provided, however, to the extent any such membership grants the member therein the right to play the golf course commonly known as the Oconee Course (the “Oconee Course”) fifty (50) times or more per year (the “Minimum Play Level”), Agent shall only have a security interest in the pro-rata share of such memberships, membership fees and initiation deposits, as they relate to all other golf courses owned by Obligor excluding the Oconee Course, which shall be determined by multiplying the amount of such membership fees and initiation deposits by a fraction, the numerator of which is the total number of courses, excluding the Oconee Course, which such

member is entitled to use and the denominator of which is the total number of golf courses, including the Oconee Course, such member is entitled to use, or (ii) the usage of any golf, tennis, boating, sport or other resort or recreational facilities owned by Obligor, whether now or hereafter held or acquired (excluding any user fees or charges related solely to the use of the golf course commonly known as the Oconee Course and the Dave Pelz Scoring Game School at the Oconee Course or wherever located).

(k) All unsold memberships in the Reynolds National Club, including, without limitation, Reynolds National Memberships, Great Waters/Plantation Memberships, Plantation Memberships, Social Memberships, or Sport and Boating Memberships, provided, however, to the extent any such membership grants the member therein the right to play the Oconee Course at the Minimum Play Level, Agent shall only have a security interest in the pro-rata share of such membership fees and initiation deposits, as they relate to all other golf courses of Obligor excluding the Oconee Course, which shall be determined in accordance with the formula set forth in subparagraph (j) above.

(l) All proceeds, products, substitutions and accessions of the foregoing of every type.

TO HAVE AND TO HOLD the Property and all parts, rights, members and appurtenances thereof, to the use, benefit and behoof of Agent for the ratable benefit of Banks and their respective successors and assigns, IN FEE SIMPLE forever; and Obligor covenants that Obligor is lawfully seized and possessed of the Property as aforesaid, and has good right to convey the same, that the same is unencumbered except for those matters expressly set forth in Exhibit "D" attached hereto and by this reference made a part hereof (the "Permitted Encumbrances"), and that Obligor does warrant and will forever defend the title thereto against the claims of all persons whomsoever, except as to those matters set forth in said Exhibit "D" attached hereto.

This conveyance is intended to operate and is to be construed as a deed passing the title to the Property to Agent and is made under those provisions of the existing laws of the State of Georgia relating to deeds to secure debt, and not as a mortgage, and is given to secure the following described indebtedness (collectively, the "Secured Obligations"):

(a) The debt evidenced by (i) those certain Notes made by Obligor in the aggregate principal amount of Sixty Million and No/100 Dollars (\$60,000,000), each of which has been issued pursuant to the Credit Agreement and each of which is due and payable in full on or before October 16, 2005 and (ii) each other note as may be issued under the Credit Agreement, each as originally executed, or if varied, extended, supplemented, consolidated, amended, replaced, renewed, modified or restated from time to time as so varied, extended, supplemented, consolidated, amended, replaced, renewed, modified or restated (collectively, the "Note").

(b) The payment, performance and discharge of each and every obligation, covenant and agreement of Obligor contained herein, in the Credit Agreement, and in the other Loan Documents, including, without limitation, the obligation of Obligor to reimburse Issuing Bank for any draws under the Letters of Credit (as defined in the Credit Agreement).

(c) Any and all additional advances made by Agent or any Bank to protect or preserve the Property or the lien and security title hereof in and to the Property, or for taxes, assessments or insurance premiums as hereinafter provided (whether or not Obligor remains the owner of the Property at the time of such advances).

(d) Any and all other indebtedness now or hereafter owing by Obligor to Agent or any Bank pursuant to the terms of the Credit Agreement, whether now existing or hereafter arising or incurred, however evidenced or incurred, whether express or implied, direct or indirect, absolute or contingent, due or to become due, including, without limitation, all principal, interest, fees, expenses, yield maintenance amounts and indemnification amounts, and all renewals, modifications, consolidations, replacements and extensions thereof.

(e) The full and prompt payment and performance by Obligor of each and all of the Hedge Obligations (as defined in the Credit Agreement).

(f) All costs and expenses incurred by the Agent in connection with the enforcement and collection of the Secured Obligations, including, without limitation, all attorneys' fees and disbursements, and all other such costs and expenses described in and incurred pursuant to the Note, the Credit Agreement, this Instrument, and the other Loan Documents (as defined in the Credit Agreement) (collectively, the "Enforcement Costs").

Should the Secured Obligations secured by this Instrument be paid according to the tenor and effect thereof when the same shall become due and payable, and should Obligor perform all covenants herein contained in a timely manner, then this Instrument shall be cancelled and surrendered.

Obligor hereby further covenants and agrees with Agent as follows:

ARTICLE 1

1.01 Payment of Secured Obligations. Obligor will pay the Secured Obligations according to the tenor thereof and all other sums now or hereafter secured hereby promptly as the same shall become due.

1.02 Representations and Warranties. Obligor represents and warrants to Agent, for the ratable benefit of Banks, that, as of the date hereof:

(a) No part of the Property is being used for agricultural purposes or being used for a personal residence by Obligor or any shareholder of Obligor.

(b) Obligor has good and clear record and marketable title in fee to such of the Property as is real property, subject to no liens, encumbrances or restrictions other than Permitted Encumbrances. There has been no labor or materials furnished to the Property on behalf of Obligor that has not been paid for in full.

1.03 Taxes, Liens and Other Charges.

(a) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by deeds to secure debt or the manner of collecting taxes so as to adversely affect Agent or the Banks, Obligor will promptly pay any such tax. If Obligor fails to make such prompt payment or if, in the opinion of Agent, any such state, federal, municipal, or other governmental law, order, rule or regulation prohibits Obligor from making such payment or would penalize Agent or the Banks if Obligor makes such payment or if, in the opinion of Agent, the making of such payment might result in the imposition of interest beyond the maximum amount permitted by applicable law, then the entire balance of the principal sum secured by this Instrument and all interest accrued thereon shall, at the option of Agent, become immediately due and payable.

(b) Obligor will pay all taxes, liens, assessments and charges of every character including all utility charges, whether public or private, already levied or assessed or that may hereafter be levied or assessed upon or against the Property as required under the Credit Agreement.

(c) Obligor will not suffer any mechanic's, materialmen's, laborer's, statutory or other lien to be created and to remain outstanding upon all or any part of the Property other than Permitted Encumbrances, except as permitted in the Credit Agreement.

1.04 Insurance.

Obligor shall procure for, deliver to and maintain for the benefit of Agent and Banks the insurance policies described in the Credit Agreement.

1.05 Condemnation. If all or any "material" portion of the Property shall be damaged or taken through condemnation (which term when used in this Instrument shall include any damage or taking by any governmental authority or any transfer by private sale in lieu thereof), either temporarily or permanently, then all compensation, awards and other payments or relief thereof, shall be paid and applied in accordance with terms and provisions of the Credit Agreement

1.06 Care, Use and Management of Property.

(a) Obligor will keep, or cause to be kept, the buildings, roads and walkways, landscaping and all other improvements of any kind now or hereafter erected on the Land or any part thereof in good condition and repair, will not commit or suffer any material waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Property or any part thereof.

(b) Obligor will not remove or demolish nor alter the structural character of any building located on the Land in a manner that would materially and adversely affect its value without the written consent of Agent.

(c) If the Property or any part thereof is materially damaged by fire or any other cause, Obligor will give immediate written notice thereof to Agent.

(d) To the extent permitted under the terms of the applicable Leases, each Bank or its representative is hereby authorized to enter upon and inspect the Property at any time during normal business hours.

(e) Obligor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority and all restrictive covenants and other agreements affecting the Property or relating to the operation thereof affecting the Property or any part thereof.

(f) If all or any part of the Property shall be damaged by fire or other casualty, Obligor will promptly restore the Property to the equivalent of its original condition; and if a part of the Property shall be damaged through condemnation, Obligor will promptly restore, repair or alter the remaining portions of the Property in a manner satisfactory to Agent. Notwithstanding the foregoing, Obligor shall not be obligated to so restore unless in each instance, Agent agrees to make available to Obligor (subject to the terms of the Credit Agreement) any net insurance or condemnation proceeds actually received by Agent hereunder in connection with such casualty loss or condemnation, to the extent such proceeds are required to defray the expense of such restoration; provided, however, that the insufficiency of any such insurance or condemnation proceeds to defray the entire expense of restoration shall in no way relieve Obligor of its obligation to restore.

1.07 Leases and Other Agreements Affecting Property. Obligor will duly and punctually perform in all material respects all terms, covenants, conditions and agreements binding upon it under any Lease or any other agreement of any nature whatsoever which involves or affects the Property or any part thereof. Obligor will not enter into, modify, surrender or terminate, either orally or in writing, any Lease now existing or hereafter created upon the Property or any part thereof, nor will Obligor permit an assignment or a subletting by any tenant other than in accordance with the terms of the Credit Agreement. Obligor will not accept payment of rent more than one (1) month in advance without the prior written consent of Agent. In order to further secure payment of the Secured Obligations and the observance, performance and discharge of Obligor's obligations, Obligor hereby collaterally assigns, transfers and sets over unto Agent all of Obligor's right, title and interest in, to and under all Leases affecting the Property or any part thereof and in and to all of the rents, issues, profits, revenues, awards and other benefits now or hereafter arising from the use and enjoyment of the Property or any part thereof; reserving only the right to Obligor to collect and use the same so long as Obligor is not in default hereunder.

Agent shall be entitled to require, and Obligor shall use its best efforts to obtain, the execution of tenant estoppels and subordination, non-disturbance and attornment agreements from any tenant in a form specified by the related tenant Lease, if any, and acceptable to Agent. Obligor hereby authorizes and directs each present and future tenant of the Property to pay to Agent all rents and any other sums due Obligor as landlord and to perform for the direct benefit of Agent any other obligations of such tenant to Obligor as landlord, as if Agent were the landlord under such tenant's Lease, immediately upon receipt of a written demand by Agent to make such payment or perform such obligation during the existence of an Event of Default. No such demand by Agent shall constitute or be deemed to constitute any assumption by Agent of any obligations of the landlord under such tenant's Lease. No such demand by Agent shall

constitute or be deemed to constitute any wrongful interference by Agent in the affairs or business relationships for ascertaining whether any such demand by Agent is authorized or whether a default by Obligor has occurred under this Instrument. Obligor hereby waives any right, claim or action Obligor may now or hereafter have against any such tenant by reason of such tenant's payment to or performance for Agent as described above, and any such payment to or performance for Agent shall discharge the obligation of such tenant to make such payment to, or perform such obligation for, Obligor.

Obligor shall furnish the Agent with signed copies of all new, modified or renewal Leases affecting the Property, as required pursuant to the terms and provisions of the Credit Agreement.

1.08 Security Agreement.

(a) Insofar as the machinery, apparatus, equipment, fittings, fixtures, building supplies and materials, general intangibles and articles of personal property either referred to or described in this Instrument, or in any way connected with the use and enjoyment of the Property is concerned, this Instrument is hereby made and declared to be a security agreement, encumbering each and every item of personal property (the "Personal Property") included herein, in compliance with the provisions of the Uniform Commercial Code as enacted in the applicable jurisdiction as set forth in Section 3.04 below. A financing statement or statements reciting this Instrument to be a security agreement, affecting all of said personal property aforementioned, shall be appropriately filed. The remedies for any violation of the covenants, terms and conditions of the security agreement herein contained shall be (i) as prescribed herein, or (ii) as prescribed by general law, or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified in said Uniform Commercial Code, all at Agent's sole election. Obligor and Agent agree that the filing of such financing statement(s) in the records normally having to do with personal property shall never be construed as in any way derogating from or impairing this declaration and hereby stated intention of Obligor and Agent that everything used in connection with the production of income from the Property and/or adapted for use therein and/or which is described or reflected in this Instrument, is, and at all times and for all purposes and in all proceedings both legal or equitable shall be, regarded as part of the real estate irrespective of whether (i) any such item is physically attached to the improvements, (ii) serial numbers are used for the better identification of certain items capable of being thus identified in a recital contained herein, or (iii) any such item is referred to or reflected in any such financing statement(s) so filed at any time. Similarly, the mention in any such financing statement(s) of the rights in and to (1) the proceeds of any fire and/or hazard insurance policy, or (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) Obligor's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Property, whether pursuant to lease or otherwise, shall never be construed as in anyway altering any of the rights of Agent as determined by this Instrument or impugning the priority of Agent's lien granted hereby or by any other recorded document, but such mention in such financing statement(s) is declared to be for the protection of Agent in the event any court shall at any time hold with respect to the foregoing (1), (2) or (3), that notice of Agent's priority of interest to be effective against a particular class of persons, must be filed in the Uniform Commercial Code records.

(b) Obligor warrants that (i) Obligor's (that is, "Debtor's") correct legal name (including, without limitation, punctuation and spacing) indicated on the public record of Obligor's jurisdiction of organization, identity or corporate structure, residence or chief executive office and jurisdiction of organization are as set forth in Subparagraph 1.08(c) hereof; (ii) Obligor (that is, "Debtor") has been using or operating under said name, identity or corporate structure without change for the time period set forth in Subparagraph 1.08(c) hereof, and (iii) the location of the collateral secured by this Instrument is upon the Land. Obligor covenants and agrees that Obligor shall not change any of the matters addressed by clauses (i) or (iii) of this Subparagraph 1.08(b) unless it has given Agent thirty (30) days prior written notice of any such change and has executed or authorized at the request of Agent, such additional financing statements or other instruments to be filed in such jurisdictions as Agent may deem necessary or advisable in its sole discretion to prevent any filed financing statement from becoming misleading or losing its perfected status.

(c) The information contained in this Subparagraph 1.08(c) is provided in order that this Instrument shall comply with the requirements of the Uniform Commercial Code, as enacted in the State of Georgia, for instruments to be filed as financing statements. The names of the "Debtor" and the "Secured Party", the identity or corporate structure, jurisdiction of organization, organizational number, federal tax identification number, and residence or chief executive office of "Debtor", and the time period for which "Debtor" has been using or operating under said name and identity or corporate structure without change, are as set forth in Schedule 1 of Exhibit "E" attached hereto and by this reference made a part hereof; the mailing address of the "Secured Party" from which information concerning the security interest may be obtained, and the mailing address of "Debtor", are as set forth in Schedule 2 of Exhibit "E" attached hereto; and a statement indicating the types, or describing the items, of collateral secured by this Instrument is set forth hereinabove.

(d) Exhibit "E" correctly sets forth all names and tradenames that Obligor has used within the last five years, and also correctly sets forth the locations of all of the chief executive offices of Obligor over the last five years.

(e) The Obligor hereby covenants and agrees that:

(1) Obligor shall not merge or consolidate into, or transfer any of the Property to, any other person or entity except as permitted under the Credit Agreement.

(2) Obligor shall, at any time and from time to time, whether or not the Official Text of Revised Article 9, 2000 Revision, of the Uniform Commercial Code promulgated by the American Law Institute and the National Conference of Commissioners on Uniform State Laws or a version thereof ("UCC Revised Article 9") is in effect in any particular jurisdiction, take such steps as Agent may reasonably request for Agent (A) to obtain an acknowledgment, in form and substance reasonably satisfactory to Agent, of any bailee having possession of any of the Property, stating that the bailee holds possession of such Property on behalf of Agent, (B) to obtain "control" of any investment property, deposit accounts, letter-of-credit rights, or electronic chattel paper (as such terms are defined by

UCC Revised Article 9 with corresponding provisions thereof defining what constitutes "control" for such items of collateral), with any agreements establishing control to be in form and substance reasonably satisfactory to Agent, and (C) otherwise to insure the continued perfection and priority of the Agent's security interest in any of the Property and of the preservation of its rights therein, whether in anticipation of or following the effectiveness of UCC Revised Article 9 in any jurisdiction. If Obligor shall at any time, whether or not UCC Revised Article 9 is in effect in any particular jurisdiction, acquire a "commercial tort claim" (as such term is defined in UCC Revised Article 9) with respect to the Property or any portion thereof, Obligor shall promptly notify Agent thereof in writing, providing a reasonable description and summary thereof, and shall execute a supplement to this Instrument in form and substance acceptable to Agent granting a security interest in such commercial tort claim to Agent.

(3) Obligor hereby authorizes Agent, its counsel or its representative, at any time and from time to time, to file financing statements, amendments and continuations that describe or relate to the Property or any portion thereof in such jurisdictions as Agent may deem necessary or desirable in order to perfect the security interests granted by Obligor under this Instrument or any other Loan Document, and such financing statements may contain, among other items as Agent may deem advisable to include therein, the federal tax identification number of Obligor.

(4) Obligor shall not license, lease, sell or otherwise transfer any of the general intangibles to any third party during the term of this Agreement and the Credit Agreement without the prior written consent of the Agent (which consent may be withheld in the Agent's sole discretion); and the Obligor will continue to use all trademarks, service marks and trade names in a consistent manner and shall take all steps necessary to properly maintain any formal registrations on the general intangibles, and to defend and enforce them, for the term of this Agreement and the Credit Agreement.

1.09 Further Assurances; After-Acquired Property. At any time, and from time to time, upon request by Agent, Obligor will make, execute and deliver or cause to be made, executed and delivered, to Agent and, where appropriate, cause to be recorded and/or filed and from time to time thereafter to be rerecorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Agent, any and all such other and further deeds to secure debt, security agreements, financing statements, notice filings, continuation statements, instruments of further assurance, certificates and other documents as may, in the opinion of Agent, be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve (a) the obligation of Obligor under the Note, the Credit Agreement and this Instrument and (b) this Instrument as a first and prior lien upon and security title in and to all of the Property, whether now owned or hereafter acquired by Obligor. Upon any failure by Obligor so to do, Agent may make, execute, record, file, re-record and/or refile any and all such deeds to secure debt, security agreements, financing statements, continuation statements, instruments, certificates, and documents for and in the name of Obligor and Obligor hereby irrevocably appoints Agent the agent and attorney-in-fact of Obligor so to do. The lien hereof will

automatically attach, without further act, to all after acquired property attached to and/or used in the operation of the Property or any part thereof.

1.10 Expenses. Obligor will pay or reimburse Agent, upon demand therefor, for all reasonable attorney's fees, costs and expenses incurred by Agent in any suit, action, legal proceeding or dispute of any kind in which Banks or Agent is made a party or appears as party plaintiff or defendant, affecting or arising in connection with the Secured Obligations secured hereby, this Instrument or the interest created herein, or the Property, including, but not limited to, the exercise of the power of sale contained in this Instrument, any condemnation action involving the Property or any action to protect the security hereof; and any such amounts paid by Banks or Agent shall be added to the Secured Obligations secured by the lien of this Instrument.

1.11 Subrogation. Agent shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the Secured Obligations secured hereby.

1.12 Limit of Validity. If from any circumstances whatsoever fulfillment of any provision of this Instrument or of the Note, at the time performance of such provision shall be due, shall involve transcending the limit of validity presently prescribed by any applicable usury statute or any other applicable law, with regard to obligations of like character and amount, then ipso facto the obligation to be fulfilled shall be reduced to the limit of such validity, so that in no event shall any exaction be possible under this Instrument or under the Note that is in excess of the current limit of such validity, but such obligation shall be fulfilled to the limit of such validity. The provisions of this Paragraph 1.12 shall control every other provision of this Instrument and of the Note.

1.13 Use of Property. Obligor shall not be permitted to alter or change the use of the Property or to abandon the Property without the prior written consent of Agent.

1.14 Conveyance of Property. Obligor hereby acknowledges to Agent that (a) the identity and expertise of Obligor was and continues to be a material circumstance upon which Agent has relied in connection with, and which constitute valuable consideration to Agent for, the extending to Obligor of the loan evidenced by the Note, and (b) any change in such identity or expertise could materially impair or jeopardize the security for the payment of the Secured Obligations granted to Agent by this Instrument. Obligor therefore covenants and agrees with Agent, as part of the consideration for the extending to Obligor of the loans evidenced by the Note, that Obligor shall not convey, transfer, assign, further encumber or pledge any or all of its interest in the Property except as permitted under the Credit Agreement.

ARTICLE 2

2.01 Events of Default. The terms "Default" and "Event of Default" as used herein shall have the following meanings:

"Default" shall mean any event which, with the giving of notice or the lapse of time, or both, would become an Event of Default.

“Event of Default” shall mean (a) any default in the payment of the obligations of Obligor hereunder or under any of the other Loan Documents (as defined in the Credit Agreement) when the same shall become due and payable which is not cured within any grace or notice and cure period provided in the Credit Agreement or such other Loan Documents, if any, subject to any limitations in the Credit Agreement on the right of Obligor to receive notices of default or (b) any default in the performance of any other obligations of Obligor hereunder which is not cured within any grace or cure period provided in the Credit Agreement (it being acknowledged by Obligor that no such cure period is provided with respect to a failure to maintain insurance as required in Section 1.04, any default under Section 1.08, any default under Section 1.14, or any default excluded from any provision for a grace period or cure of defaults contained in the Credit Agreement, the Security Documents (as defined in the Credit Agreement) or any other agreement evidencing or securing the Secured Obligations), or (c) any representation or warranty of Obligor hereunder proving to be false or incorrect in any material respect upon the date when made or deemed to have been repeated, or (d) any default in the performance of the obligations of Obligor or any other Person under any of the Security Documents beyond the expiration of any applicable notice and cure period, (e) the occurrence of any “Event of Default” under the Credit Agreement, (f) any amendment to or termination of a financing statement naming Obligor as debtor and Agent as secured party, or any correction statement with respect thereto, is filed in any jurisdiction by, or caused by, or at the instance of Obligor or by, or caused by, or at the instance of any principal, member, general partner or officer of Obligor (collectively, “Obligor Party”) without the prior written consent of Agent; or (g) any amendment to or termination of a financing statement naming Obligor as debtor and Agent as secured party, or any correction statement with respect thereto, is filed in any jurisdiction by any party other than an Obligor Party or Agent or Agent’s counsel without the prior written consent of Agent and Obligor fails to use its best efforts to cause the effect of such filing to be completely nullified to the reasonable satisfaction of Agent within ten (10) days after notice to Obligor thereof.”

2.02 Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, then the entire Secured Obligations secured hereby shall, at the option of Agent and as permitted by the terms of the Credit Agreement, immediately become due and payable without notice or demand, time being of the essence of this Instrument.

2.03 Right to Enter and Take Possession.

(a) If an Event of Default shall have occurred and be continuing, Obligor upon demand of Agent, shall forthwith surrender to Agent the actual possession of the Property and if, and to the extent, permitted by law, Agent itself, or by such officers or agents as it may appoint, may enter and take possession of all the Property without the appointment of a receiver, or an application therefor, and may exclude Obligor and its agents and employees wholly therefrom, and may have joint access with Obligor to the books, papers and accounts of Obligor.

(b) If Obligor shall for any reason fail to surrender or deliver the Property or any part thereof after such demand by Agent, Agent may obtain a judgment or decree conferring upon Agent the right to immediate possession or requiring Obligor to deliver immediate possession of the Property to Agent. Obligor will pay to Agent, upon demand, all expenses of obtaining such judgment or decree, including reasonable compensation to Agent, its attorneys and agents; and all such expenses and compensation shall, until paid, be secured by the lien of this Instrument.

(c) Upon every such entering upon or taking of possession, Agent may hold, store, use, operate, manage and control the Property and conduct the business thereof, and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property; (ii) insure or keep the Property insured; (iii) manage and operate the Property and exercise all the rights and powers of Obligor to the same extent as Obligor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Agent, all as Agent from time to time may determine to be in its best interest. Agent may collect and receive all the rents, issues, profits and revenues from the Property, including those past due as well as those accruing thereafter, and, after deducting (1) all expenses of taking, holding, managing and operating the Property (including compensation for the services of all persons employed for such purposes); (2) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (3) the cost of such insurance; (4) such taxes, assessments and other similar charges as Agent may at its option pay; (5) other proper charges upon the Property or any part thereof; and (6) the reasonable compensation, expenses and disbursements of the attorneys and agents of Agent, Agent shall apply the remainder of the monies and proceeds so received by Agent, in accordance with Section 12.4 of the Credit Agreement. Agent shall have no obligation to discharge any duties of a landlord to any tenant or to incur any liability as a result of any exercise by Agent of any rights under this Instrument or otherwise. Agent shall not be liable for any failure to collect rents, issues, profits and revenues from the Property, nor shall Agent be liable to account for any such rents, issues, profits or revenues unless actually received by Agent.

(d) Whenever all that is due upon the Secured Obligations and under any of the terms, covenants, conditions and agreements of this Instrument, shall have been paid and all Events of Default made good, Agent shall surrender possession of the Property to Obligor, its successors or assigns. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

(e) The Obligor hereby grants, assigns, transfers and sets over all worldwide right, title and interest in and to the Obligor's general intangibles, including but not limited to all registered copyrights, copyright rights, advertising materials, web sites and web pages, software and software licenses, registered trademarks and service marks, trademark rights, trademark applications, service mark rights, service mark applications, trade dress rights, company names, and all domain names, owned or used in connection with the Obligor's business, and in each case all goodwill associated therewith, including but not limited to U.S. Service Mark Registration Nos. 1710421, 1698103, 1703808, and 1703732, Georgia Service Mark Registration Nos. S10564, S10535, S10534, S10533, and the domain names "www.reynoldsgolf.com" and

"www.reynoldsplantation.com", and shall execute Exhibit "F" upon execution of this Agreement as further evidence of such transfer and assignment; provided, however, that the foregoing transfer and assignment, which is further evidenced by Exhibit "F", shall only be of full force and effect upon an Event of Default by Obligor, at which time Agent may submit Exhibit "F" to any governmental or commercial entity as Agent deems necessary to record or effect such transfer and assignment or deliver Exhibit "F" to any purchaser of the Property in accordance with Section 2.06 of this Agreement. Immediately upon an Event of Default and a subsequent request by the Agent, Obligor shall execute further documents and assignments as necessary to effect the transfers described in this subsection (b) and to record such transfers with the relevant state, federal and/or commercial offices. Upon any failure by Obligor so to do, Agent may execute such further documents and assignments as necessary to effect the transfers described in this subsection (b) and to record such transfers with the relevant state, federal and/or commercial offices for and in the name of Obligor and Obligor hereby irrevocably appoints Agent the agent and attorney-in-fact of Obligor so to do.

2.04 Performance by Agent. If Obligor shall Default in the payment, performance or observance of any term, covenant or condition of this Instrument, Agent may, so long as such Default continues, at its option, pay, perform or observe the same, and all payments made or costs or expenses incurred by Agent in connection therewith, shall be secured hereby and shall be, upon demand, immediately repaid by Obligor to Agent with interest thereon at the rate of interest for overdue amounts set forth in Section 4.12 of the Credit Agreement. Agent shall be the sole judge of the necessity for any such actions and of the amounts to be paid. Agent is hereby empowered to enter and to authorize others to enter upon the Land or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Obligor or any person in possession holding under Obligor.

2.05 Receiver. If an Event of Default shall have occurred and be continuing, Agent, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right without notice and without regard to the occupancy or value of any security for the Secured Obligations secured hereby or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall have all of the rights and powers permitted under the laws of the State of Georgia. Obligor will pay to Agent upon demand all expenses, including receiver's fees, attorney's fees, costs and agent's compensation, incurred pursuant to the provisions of this Paragraph 2.05; and all such expenses shall be secured by this Instrument.

2.06 Enforcement.

(a) If an Event of Default shall have occurred and be continuing, Agent, at its option, may sell the Property or any part of the Property at public sale or sales at the usual place for conducting sales in the county in which the Land or any part of the Land is situated, to the highest bidder for cash, in order to pay the Secured Obligations secured hereby and accrued interest thereon and insurance premiums, liens, assessments, taxes and charges, including utility charges, if any, with accrued interest thereon, and all expenses of the sale and of all proceedings in connection therewith, including actual attorney's fees, if incurred, after advertising the time, place and terms of sale once a week for four (4) weeks immediately preceding such sale (but

without regard to the number of days) in a newspaper in which Sheriff's sales are advertised in said county. At any such public sale, Agent may (a) execute and deliver to the purchaser a conveyance of the Property or any part of the Property in fee simple, with full warranties of title and to this end, Obligor hereby constitutes and appoints Agent the agent and attorney-in-fact of Obligor to make such sale and conveyance, and thereby to divest Obligor of all right, title or equity that Obligor may have in and to the Property and to vest the same in the purchaser or purchasers at such sale or sales, and all the acts and doings of said agent and attorney-in-fact are hereby ratified and confirmed and any recitals in said conveyance or conveyances as to facts essential to a valid sale shall be binding upon Obligor and (b) deliver to the purchaser the original executed copy of Exhibit F delivered to Agent by Obligor upon execution of this Agreement in accordance with Section 2.03 (e) of this Agreement and the purchaser may submit Exhibit "F" to any governmental or commercial entity as Purchaser deems necessary to record or effect the transfer and assignment of the items described therein to the purchaser. The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, are granted as cumulative of the other remedies provided hereby or by law for collection of the Secured Obligations secured hereby and shall not be exhausted by one exercise thereof but may be exercised until full payment of all Secured Obligations secured hereby.

(b) If an Event of Default shall have occurred and be continuing, Agent may, in addition to and not in abrogation of the rights covered under subparagraph (a) of this Paragraph 2.06, either with or without entry or taking possession as herein provided or otherwise, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to enforce payment of the Secured Obligations or the performance of any term, covenant, condition or agreement of this Instrument or any other right, and (ii) to pursue any other remedy available to it, all as Agent shall determine most effectual for such purposes.

2.07 Purchase by Agent. Upon any foreclosure sale, Agent, on behalf of the Banks, may bid for and purchase the Property and shall be entitled to apply all or any part of the Secured Obligations secured hereby as a credit to the purchase price.

2.08 Application of Proceeds of Sale. The proceeds received by Agent as a result of a foreclosure sale of the Property or the exercise of any other rights or remedies hereunder, shall be applied in the manner provided for in Section 12.4 of the Credit Agreement.

2.09 Obligor as Tenant Holding Over. In the event of any such foreclosure sale by Agent, Obligor shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over.

2.10 Waiver of Appraisalment, Valuation, Stay, Extension and Redemption Laws. Obligor agrees to the full extent permitted by law, that in case of a Default or Event of Default on the part of Obligor hereunder, neither Obligor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisalment, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Instrument, or the absolute sale of the Property, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers

thereat, and Obligor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprised in the security intended to be created hereby marshaled upon any foreclosure of the lien hereof.

2.11 Waiver of Homestead. Obligor hereby waives and renounces all homestead and exemption rights provided for by the Constitution and the laws of the United States and of any state, in and to the Property as against the collection of the Secured Obligations, or any part hereof.

2.12 Leases; Licensees. Agent, at its option, is authorized to foreclose this Instrument subject to the rights of any tenants and licensees (including any members of Reynolds National Club) of the Property, and the failure to make any such tenants or licensees parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by Obligor, a defense to any proceedings instituted by Agent to collect the sums secured hereby.

2.13 Discontinuance of Proceedings and Restoration of the Parties. In case Agent shall have proceeded to enforce any right, power or remedy under this Instrument by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Agent, then and in every such case Obligor and Agent shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Agent shall continue as if no such proceeding had been taken.

2.14 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Agent by this Instrument is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

2.15 Waiver.

(a) No delay or omission of Agent or of any Bank to exercise any right, power or remedy accruing upon any Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Default, or acquiescence therein; and every right, power and remedy given by this Instrument to Agent may be exercised from time to time and as often as may be deemed expedient by Agent. No consent or waiver, expressed or implied, by Agent to or of any breach or Default by Obligor in the performance of the obligations thereof hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or Default in the performance of the same or any other obligations of Obligor hereunder. Failure on the part of Banks to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by any Bank of its rights hereunder or impair any rights, powers or remedies consequent on any breach or Default by Obligor.

(b) If Banks or Agent on behalf of the Banks, (i) grant forbearance or an extension of time for the payment of any sums secured hereby; (ii) take other or additional security for the payment of any sums secured hereby; (iii) waive or do not exercise any right

granted herein or in the Note, the Credit Agreement or any other Loan Documents (as defined in the Credit Agreement); (iv) release any part of the Property from the lien of this Instrument or otherwise changes any of the terms, covenants, conditions or agreements of the Note or this Instrument; (v) consent to the filing of any map, plat or replat affecting the Property; (vi) consent to the granting of any easement or other right affecting the Property; or (vii) make or consent to any agreement subordinating the lien hereof, any such act or omission shall not release, discharge, modify, change or affect the original liability under the Note, the Credit Agreement, this Instrument or any other obligation of Obligor or any subsequent purchaser of the Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude Agent from exercising any right, power or privilege herein granted or intended to be granted in the event of any Default then made or of any subsequent Default; nor, except as otherwise expressly provided in an instrument or instruments executed by Agent, shall the lien of this Instrument be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Property, Agent, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Property or the Secured Obligations secured hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.


2.16 Suits to Protect the Property. Agent shall have power (a) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Property by any acts which may be unlawful or in violation of this Instrument, (b) to preserve or protect its interest in the Property and in the rents, issues, profits and revenues arising therefrom, and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interest of Banks.

2.17 Agent May File Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Obligor, its creditors or its property, Agent, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Agent allowed in such proceedings for the entire amount due and payable by Obligor under this Instrument at the date of the institution of such proceedings and for any additional amount which may become due and payable by Obligor hereunder after such date.

2.18 WAIVER OF OBLIGOR'S RIGHTS. BY EXECUTION OF THIS INSTRUMENT AND BY INITIALING THIS PARAGRAPH 2.18, OBLIGOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT OF AGENT AND/OR BANKS TO ACCELERATE THE SECURED OBLIGATIONS AND THE POWER OF ATTORNEY GIVEN HEREIN TO AGENT TO SELL THE PROPERTY BY NONJUDICIAL FORECLOSURE UPON DEFAULT BY OBLIGOR WITHOUT ANY JUDICIAL HEARING AND WITHOUT ANY NOTICE OTHER THAN SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE GIVEN UNDER THE PROVISIONS OF THIS INSTRUMENT; (B) WAIVES ANY AND ALL RIGHTS WHICH OBLIGOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES (INCLUDING, WITHOUT LIMITATION, THE FIFTH AND FOURTEENTH

AMENDMENTS THEREOF), THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE LAW, TO NOTICE AND TO JUDICIAL HEARING PRIOR TO THE EXERCISE BY AGENT OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO AGENT, EXCEPT SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE PROVIDED IN THIS INSTRUMENT; (C) ACKNOWLEDGES THAT OBLIGOR HAS READ THIS INSTRUMENT AND ANY AND ALL QUESTIONS REGARDING THE LEGAL EFFECT OF THIS INSTRUMENT AND ITS PROVISIONS HAVE BEEN EXPLAINED FULLY TO OBLIGOR AND OBLIGOR HAS CONSULTED WITH COUNSEL OF OBLIGOR'S CHOICE PRIOR TO EXECUTING THIS INSTRUMENT; AND (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF OBLIGOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY OBLIGOR AS PART OF A BARGAINED FOR LOAN TRANSACTION.

INITIALED BY OBLIGOR:



2.19 Claims Against Agent and Banks. No action at law or in equity shall be commenced, or allegation made, or defense raised, by Obligor against Agent or Banks for any claim under or related to this Instrument, the Note, the Credit Agreement or any other instrument, document, transfer, conveyance, assignment or loan agreement given by Obligor with respect to the Secured Obligations secured hereby, or related to the conduct of the parties thereunder, unless written notice of such claim, expressly setting forth the particulars of the claim alleged by Obligor, shall have been given to Agent within sixty (60) days from and after the initial awareness of Obligor of the event, omission or circumstances forming the basis of Obligor for such claim. Any failure by Obligor to timely provide such written notice to Agent shall constitute a waiver by Obligor of such claim.

2.20 [Intentionally Omitted].

2.21 Indemnification; Subrogation; Waiver of Offset.

(a) Obligor shall indemnify, defend and hold Agent and the Banks harmless for, from and against any and all liability, Secured Obligations, losses, damages, penalties, claims, actions, suits, costs and expenses (including Agent's reasonable attorneys' fees, together with reasonable appellate counsel fees, if any) of whatever kind or nature which may be asserted against, imposed on or incurred by Agent and the Banks in connection with the Secured Obligations, this Instrument, the Property, or any part thereof, or the exercise by Agent of any rights or remedies granted to it under this Instrument; provided, however, that nothing herein shall be construed to obligate Obligor to indemnify, defend and hold harmless Agent and the Banks for, from and against any and all liabilities, Secured Obligations, losses, damages, penalties, claims, actions, suits, costs and expenses asserted against, imposed on or incurred by Agent or a Bank by reason of Agent's or such Bank's willful misconduct or gross negligence if a judgment is entered against Agent or a Bank by a court of competent jurisdiction after the exhaustion of all applicable appeal periods.

(b) If Agent or a Bank is made a party defendant to any litigation or any claim is threatened or brought against Agent or a Bank concerning the Secured Obligations, this Instrument, the Property, or any part thereof, or any interest therein, or the construction, maintenance, operation or occupancy or use thereof, then Obligor shall indemnify, defend and hold Agent and the Banks harmless for, from and against all liability by reason of said litigation or claims, including reasonable attorneys' fees (together with reasonable appellate counsel fees, if any) and expenses incurred by Agent and the Banks in any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment; provided, however, that nothing in this Section 2.21(b) shall be construed to obligate Obligor to indemnify, defend and hold harmless Agent or a Bank for, from and against any and all liabilities or claims imposed on or incurred by Agent or a Bank by reason of Agent's or such Bank's willful misconduct or gross negligence if a judgment is entered against Agent or a Bank by a court of competent jurisdiction after exhaustion of all applicable appeal periods. If Agent commences an action against Obligor to enforce any of the terms hereof or to prosecute any breach by Obligor of any of the terms hereof or to recover any sum secured hereby, Obligor shall pay to Agent its reasonable attorneys' fees (together with reasonable appellate counsel, fees, if any) and expenses. The right to such attorneys' fees (together with reasonable appellate counsel fees, if any) and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Obligor breaches any term of this Instrument, Agent may engage the services of an attorney or attorneys to protect its rights hereunder, and in the event of such engagement following any breach by Obligor, Obligor shall pay Agent reasonable attorneys' fees (together with reasonable appellate counsel fees, if any) and expenses incurred by Agent, whether or not an action is actually commenced against Obligor by reason of such breach. All references to "attorneys" in this Subsection and elsewhere in this Instrument shall include without limitation any attorney or law firm engaged by Agent and Agent's in-house counsel, and all references to "fees and expenses" in this Subsection and elsewhere in this Instrument shall include without limitation any fees of such attorney or law firm and any allocation charges and allocation costs of Agent's in-house counsel.

(c) A waiver of subrogation shall be obtained by Obligor from its insurance carrier and, consequently, Obligor waives any and all right to claim or recover against Agent, its officers, employees, agents and representatives, for loss of or damage to Obligor, the Property, Obligor's property or the property of others under Obligor's control from any cause insured against or required to be insured against by the provisions of this Instrument.

(d) ALL SUMS PAYABLE BY OBLIGOR HEREUNDER SHALL BE PAID WITHOUT NOTICE (EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN), DEMAND, COUNTERCLAIM, SETOFF, DEDUCTION OR DEFENSE AND WITHOUT ABATEMENT, SUSPENSION, DEFERMENT, DIMINUTION OR REDUCTION, AND THE SECURED OBLIGATIONS AND LIABILITIES OF OBLIGOR HEREUNDER SHALL IN NO WAY BE RELEASED, DISCHARGED OR OTHERWISE AFFECTED BY REASON OF: (I) ANY DAMAGE TO OR DESTRUCTION OF OR ANY CONDEMNATION OR SIMILAR TAKING OF THE PROPERTY OR ANY PART THEREOF; (II) ANY RESTRICTION OR PREVENTION OF OR INTERFERENCE WITH ANY USE OF THE PROPERTY OR ANY PART THEREOF; (III) ANY TITLE DEFECT OR ENCUMBRANCE OR ANY EVICTION FROM THE LAND OR THE IMPROVEMENTS ON THE LAND OR ANY PART THEREOF BY TITLE PARAMOUNT OR OTHERWISE; (IV) ANY BANKRUPTCY, INSOLVENCY,

REORGANIZATION, COMPOSITION, ADJUSTMENT, DISSOLUTION, LIQUIDATION, OR OTHER LIKE PROCEEDING RELATING TO AGENT, OR ANY ACTION TAKEN WITH RESPECT TO THIS INSTRUMENT BY ANY TRUSTEE OR RECEIVER OF AGENT, OR BY ANY COURT, IN SUCH PROCEEDING; (V) ANY CLAIM WHICH OBLIGOR HAS, OR MIGHT HAVE, AGAINST AGENT; (VI) ANY DEFAULT OR FAILURE ON THE PART OF AGENT TO PERFORM OR COMPLY WITH ANY OF THE TERMS HEREOF OR OF ANY OTHER AGREEMENT WITH OBLIGOR; OR (VII) ANY OTHER OCCURRENCE WHATSOEVER, WHETHER SIMILAR OR DISSIMILAR TO THE FOREGOING, WHETHER OR NOT OBLIGOR SHALL HAVE NOTICE OR KNOWLEDGE OF ANY OF THE FOREGOING. OBLIGOR WAIVES ALL RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE TO ANY ABATEMENT, SUSPENSION, DEFERMENT, DIMINUTION, OR REDUCTION OF ANY SUM SECURED HEREBY AND PAYABLE BY OBLIGOR.

2.22 Revolving Credit/Future Advance. This Instrument secures Obligations which may provide for a variable rate of interest as well as revolving credit advances and other future advances, whether such advances are obligatory or otherwise. Advances against the Notes are subject to the terms and provisions of the Credit Agreement and the other Security Documents. Obligor acknowledges that the Obligations may increase or decrease from time to time and that if the outstanding balance of the Obligations is ever repaid to zero the security title and security interest created by this Instrument shall not be deemed released or extinguished by operation of law or implied intent of the parties. This Instrument shall remain in full force and effect as to any further advances under the Credit Agreement made after any such zero balance until the Obligations are paid in full, all agreements to make further advances or issue letters of credit have been terminated and this Instrument has been canceled of record. Borrower waives the operation of any applicable statutes, case law or regulation having a contrary effect.

ARTICLE 3

3.01 Successors and Assigns. This Instrument shall inure to the benefit of and be binding upon Obligor and Agent and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Instrument to Obligor or Agent such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Obligor or Agent.

3.02 Terminology. All personal pronouns used in this Instrument whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and Articles are for convenience only and neither limit nor amplify the provisions of this Instrument itself, and all references herein to Articles, Paragraphs or subparagraphs thereof, shall refer to the corresponding Articles, Paragraphs or subparagraphs thereof, of this Instrument unless specific reference is made to such Articles, Paragraphs or subparagraphs thereof of another document or instrument.

3.03 Severability. If any provision of this Instrument or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this

Instrument and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

3.04 Applicable Law. This Instrument will be governed by the substantive laws of the State of Georgia, without giving effect to its principles of choice of law or conflicts of law (except with respect to choice of law or conflicts of law provisions of its Uniform Commercial Code), and the laws of the United States applicable to transactions in Georgia. Should any obligation or remedy under this Instrument be invalid or unenforceable pursuant to the laws provided herein to govern, the laws of any other state referred to herein or of another state whose laws can validate and apply thereto shall govern.

3.05 Notices. Except as otherwise provided herein, any notice or other communication required hereunder shall be in writing, and shall be deemed to have been validly served, given or delivered the next succeeding Domestic Business Day (as defined in the Credit Agreement) after timely delivery to the courier, if sent by overnight courier; at the time delivered by hand, if personally delivered; or when receipt is acknowledged, if (i) telecopied (followed by delivery of written copy thereof sent by overnight courier on the same day as such notice is given), or (ii) sent by registered or certified mail, return receipt requested, addressed to Obligor or Agent as follows:

If to Obligor:

Linger Longer Development Company
100 Linger Longer Road
Greensboro, Georgia 30642
Attn: Andrew L. O'Connell
Senior Vice President and Chief Financial Officer
Telecopy Number: (706) 467-3152

And a copy to:

Richard W. Schmidt, Esq.
122 N. Main Street
P. O. Box 67
Greensboro, Georgia 30642
Telecopy Number: (706) 453-7842

If to Agent:

Fleet National Bank, as Agent
100 Federal Street
Boston, Massachusetts 02110
Attention: Real Estate Division

With a copy to:

Fleet National Bank, as Agent
Suite 500
115 Perimeter Center Place, N.E.
Atlanta, Georgia 30346
Attention: Mr. Steven Selbo
Telecopy No.: (770) 390-8434

And a copy to:

McKenna Long & Aldridge LLP
Suite 5300
303 Peachtree Street, N.E.
Atlanta, Georgia 30308
Attention: William F. Timmons, Esq.
Telecopy No.: (404) 527-4198

or, to such other address as any party may designate for itself by like notice.

3.06 Conflict with Credit Agreement Provisions. Obligor hereby acknowledges and agrees that, in the event of any conflict between the terms hereof and the terms of the Credit Agreement, the terms of the Credit Agreement shall control.

3.07 Assignment. This Instrument is assignable by Agent, and any assignment hereof by Agent shall operate to vest in the assignee all rights and powers herein conferred upon and granted to Agent.

3.08 Time of the Essence. Time is of the essence with respect to each and every covenant, agreement and obligation of Obligor under this Instrument, the Note, the Credit Agreement and any and all other instruments now or hereafter evidencing, securing or otherwise relating to the Secured Obligations.

[SIGNATURES ON NEXT PAGE]

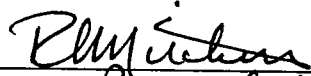
IN WITNESS WHEREOF, Obligor has executed this Instrument under seal, as of the day and year first above written.

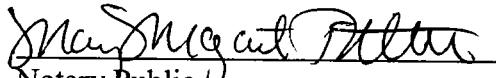
Signed, sealed and delivered
by Obligor in the presence of:

LINGER LONGER DEVELOPMENT
COMPANY, a Georgia corporation

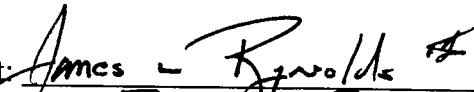


Unofficial Witness

By: 
Printed Name: ROBERT C. MITCHELL
Printed Title: PRESIDENT CEO



Notary Public

Attest: 
Printed Name: JAMES M. REYNOLDS III
Printed Title: SEC.

Commission Expiration Date:



[CORPORATE SEAL]

EXHIBIT "F"

**ASSIGNMENT OF OWNERSHIP IN TRADEMARKS,
COPYRIGHTS AND DOMAIN NAMES**

THIS ASSIGNMENT OF OWNERSHIP IN TRADEMARKS, COPYRIGHTS AND DOMAIN NAMES (this "Assignment") entered this ___ day of _____, 20__ (the "Effective Date") by and between **LINGER LONGER DEVELOPMENT COMPANY** (the "Assignor"), and _____ (the "Assignee").

WHEREAS, pursuant to that certain Deed to Secure Debt and Security Agreement between Linger Longer Development Company and Fleet National Bank, as Agent for itself and each other lender a party to the Credit Agreement (as defined therein) dated September __, 2002 (as the same may be modified, amended, restated, renewed or consolidated, the "Agreement"), Assignor and Assignee desire to effect the transfer from Assignor to Assignee of all right, title and interest of Assignor in that intellectual property set forth herein.

NOW, THEREFORE, for good and valuable consideration as set forth in the Agreements, the receipt of which is set of which are hereby acknowledged, the Assignor agrees as follows:

ARTICLE I
ASSIGNMENT OF TRADEMARKS

1.1 Assignor hereby assigns irrevocably and in perpetuity to Assignee any and all right, title and interest Assignor has in and to the trademark/service mark, trade name, and all other intellectual property rights associated with "REYNOLDS PLANTATION," "REYNOLDS NATIONAL CLUB," "GREAT WATERS," and Assignor's "DUCK LOGO," including all designs and logos used by the Assignor with or in connection with such marks, and including but not limited to U.S. Patent and Trademark Office Registration Nos. 1710421, 1698103, 1703808, and 1703732, Georgia Service Mark Registration Nos. S10564, S10535, S10534, S10533, any and all common law rights in the foregoing, and all goodwill associated therewith (the "Marks"). By executing this assignment, Assignor hereby waives and releases any and all rights that Assignor may have in such Marks and further acknowledges and agrees that Assignor has no claims against nor will Assignor assert any claims against the Assignee, its affiliates, officers, directors, agents, employees, and attorneys with respect to the Marks or any use of the Marks.

ARTICLE II
ASSIGNMENT OF ALL COPYRIGHTS

2.1 Assignor hereby grants and assigns to Assignee all right, title and interest, including copyrights, throughout the world, in and under all copyrightable works owned by Assignor, including but not limited to all right, title and interest in and to Assignor's advertising materials, Assignor's entire web site with a home page at "www.reynoldsgolf.com" and "www.reynoldsplantation.com" and all other web sites, web pages and copyrightable materials used by Assignor in the conduct of Assignor's business, to have and to hold the same unto Assignee, its successors and assigns, forever.

ARTICLE III
TRANSFER OF DOMAIN NAME

3.1 Assignor hereby transfers to Assignee all right, title and interest in and to all rights in the domain names "www.reynoldsgolf.com" and "www.reynoldsplantation.com" (collectively, the "Domain Name"), including but not limited to all trademark, service mark and trade name rights in the Domain Name, and all copyright interests throughout the world in the Domain Name, if any, and any other proprietary rights associated with the Domain Name.

ARTICLE IV
FURTHER ASSURANCES

4.1 At any time and from time to time from and after the execution of this Assignment, Assignor will, at the request of Assignee, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such instruments and other documents and perform or cause to be performed such acts and provide such information, as may reasonably be required, to evidence or effectuate the purpose of this Assignment by Assignor to Assignee of any and all right, title and interest in and to the intellectual property assigned hereunder.

IN WITNESS WHEREOF, Assignor has hereunto set their hand under seal by their duly authorized agents.

**LINGER LONGER DEVELOPMENT
COMPANY (ASSIGNOR)**

By: _____

Print Name: _____

Title: _____

Attest: _____

Print Name: _____

Title: _____

[CORPORATE SEAL]