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by: Peggy C. Kight
Register of Deeds

BOOK 174 PAGE 540

Prepared By and Return To
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Hornthal, Riley, Ellis, & Maland
P.O. Box 220
Elizabeth City, NC 27907-0220

SUBORDINATION AGREEMENT
All Debt and Liens

The parties listed on the attached Exhibit A ("Creditors") and Spruillco, LTD. a North Carolina Corporation having an address of P.O. Box 10096, Raleigh, NC 27605, jointly and severally wish to induce The Huntington National Bank, a national banking association of 50 Monroe Avenue, Grand Rapids, Michigan (the "Bank") to make loans or otherwise to extend credit to Blackwater Lodge and Training Center, Inc., a Delaware corporation, for the benefit of it and all of its affiliates, as identified on the attached Schedule B (collectively, the "Borrower"). The Bank is willing to extend credit to Borrower on the condition, among others, that this agreement be executed by the Creditors and Borrower and delivered to the Bank.

THEREFORE, the Creditors and the Borrower jointly and severally represent and promise to each other and to the Bank as follows:

1. **Definitions and Subordination of Subordinated Debt to Bank Debt.** As used in this agreement the following terms have the following meanings:
 - (a) **"Bank Debt"** means
 - (i) Liabilities to the Bank; and
 - (ii) Liabilities to any person, corporation or other entity the proceeds of which are used to refinance all or any portion of any Liabilities to the Bank,

including, without limitation, costs of collecting any of the above Liabilities and interest accruing on any of the above Liabilities after the commencement of bankruptcy or similar insolvency proceedings.