

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
In the Court of Common Pleas

L. Casey Manning, Presiding Judge

Case No.: 2012-CP-40-0249

Branch Banking and Trust Company.....Respondent,

v.

Graphic Express, LLC; Lanny R. Gunter, II; and Harry B. Benenhaley.....Appellants.

RECORD ON APPEAL

S. Jahue Moore
John C. Bradley, Jr.
MOORE, TAYLOR & THOMAS, P.A.
Post Office Box 5709
West Columbia, SC 29171
(803) 796-9160
ATTORNEYS FOR APPELLANTS

Laura G. Simons, Esquire
J. Ronald Jones, Jr., Esquire
CLAWSON and STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-7595
(843) 577-2026
ATTORNEYS FOR THE RESPONDENT

RECEIVED

OCT 01 2013

SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
In the Court of Common Pleas

L. Casey Manning, Presiding Judge

Case No.: 2012-CP-40-0249

Branch Banking and Trust Company.....Respondent,

v.

Graphic Express, LLC; Lanny R. Gunter, II; and Harry B. Benenhaley.....Appellants.

RECORD ON APPEAL

S. Jahue Moore
John C. Bradley, Jr.
MOORE, TAYLOR & THOMAS, P.A.
Post Office Box 5709
West Columbia, SC 29171
(803) 796-9160
ATTORNEYS FOR APPELLANTS

Laura G. Simons, Esquire
J. Ronald Jones, Jr., Esquire
CLAWSON and STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-7595
(843) 577-2026
ATTORNEYS FOR THE RESPONDENT

INDEX

Order of the Honorable L. Casey Manning dated September 10, 2012	1
Complaint dated January 11, 2012 (with attachments)	4
Answer of Appellants dated March 1, 2012	36
Respondent's Interrogatories	38
Respondent's Request for Production	40
Respondent's Request for Admissions to Appellant	43
Appellant's Answers to Interrogatories	47
Appellant's Response to Request for Production	50
Appellant's Responses to Respondent's Request for Admissions	53
Respondent's Motion for Summary Judgment	55
Respondent's Memorandum in Support of Summary Judgment	58
Notice of Intent to Appeal dated October 9, 2012	72
Transcript of Hearing dated September 4, 2012	75
Certificate of Counsel	84

STATE OF SOUTH CAROLINA

JUDGMENT IN A CIVIL CASE

COUNTY OF RICHLAND

IN THE COURT OF COMMON PLEAS

CASE NO. 2012-CP-40-0249

BRANCH BANKING AND TRUST COMPANY

GRAPHIC EXPRESS, LLC, LANNY R. GUNTER II, and HARRY B. BENENHALEY

PLAINTIFF(S)

DEFENDANT(S)

Submitted by: <u>Laura G. Simons</u> <u>CLAWSON AND STAUBES, LLC</u>	Attorney for: <input checked="" type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Self-Represented Litigant
---	--

DISPOSITION TYPE: (CHECK ONE)

- JURY VERDICT. This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT. This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED (CHECK REASON): Rule 12(b), SCRPC; Rule 41(a), SCRPC (Vol. Nonsuit); Rule 43(k), SCRPC (Settled); Other: _____
- ACTION STRICKEN (CHECK REASON): Rule 40(j), SCRPC; Bankruptcy; Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; Other: _____
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):
 Affirmed; Reversed; Remanded; Other: _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED:

- See attached order. (Formal order to follow)
- Statement of Judgment by the Court: _____

ORDER INFORMATION

This order ends does not end the case. Additional information for the Clerk: _____

INFORMATION FOR THE PUBLIC INDEX		
Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.		
Judgment In Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount to be Enrolled (List amount(s) below)
Branch Banking and Trust Company	Graphic Express, LLC, Lanny R. Gunter II, Harry B. Benenahaley	\$50,263.06, plus per diem rate of \$11.01 and attorney's fees of \$4,316.75
If applicable, describe the property, including tax map information and address, referenced in the order: <u>N/A</u>		

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge

Judge Code

Date

JEANETTE W. McBRIDE
C.C.P. & G.S.

2012 SEP 12 PM 4:24

For Clerk of Court Office Use Only

This judgment was entered on the 12 day of Sept, 2012 and a copy mailed first class or placed in the appropriate attorney's box on this _____ day of _____, 20____ to attorneys of record or to parties (when appearing pro se) as follows:

Kristen N. Nichols
Clawson AND Staubes, LLC
128 Seven Farms Drive, Suite 200
Charleston, SC 29492

S. Jahue Moore, Esquire
Moore, Taylor & Thomas, P.A.
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171

ATTORNEY(S) FOR THE PLAINTIFF

ATTORNEY(S) FOR THE DEFENDANTS, GRAPHIC
EXPRESS, LLC, IANNY R. GUNTER II, HARRY B. BENENHALEY

Court Reporter: _____

Jeanette W. McGrade

CLERK OF COURT

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.
GUNTER II, and HARRY B.
BENENHALEY,

Defendants.

IN THE COURT OF COMMON PLEAS
CASE NO.: 2012-CP-40-0249

JUDGMENT

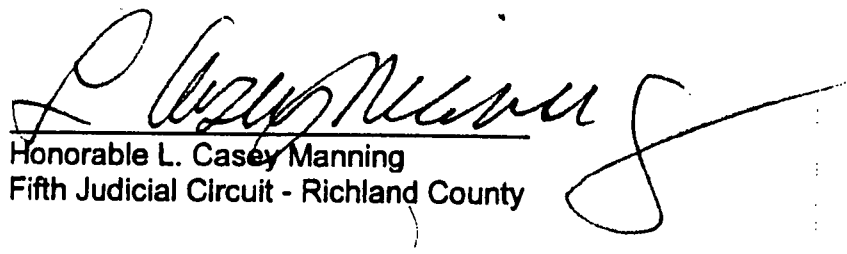
2012 SEP 12 PM 4:24
JEANETTE W. McBRIDE
C.C.P. & G.S.
RICHLAND COUNTY
CLERK OF COURT

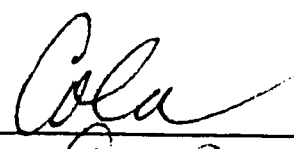
THIS MATTER came on for hearing before the undersigned Circuit Court Judge on motion of the Plaintiff, Branch Banking and Trust Company, for summary judgment, and

IT APPEARING TO THE COURT that there are no genuine issues of material fact and that the Plaintiff is entitled to judgment as a matter of law;

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Plaintiff is entitled to judgment as follows:

1. For judgment against the Defendants in the amount of \$50,263.06; and
2. Interest at the per diem rate of \$11.01 per annum from and after, until the date of judgment and interest thereafter at the judgment rate until paid; and
3. For the costs of this action to be taxed by the Clerk, such costs to specifically include reasonable attorney's fees in the sum of \$4,315.75.


Honorable L. Casey Manning
Fifth Judicial Circuit - Richland County


_____, South Carolina
9-10, 2012

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

Branch Banking and Trust Company,

vs.

Graphic Express, LLC, Lanny R. Gunter II, and Harry B. Benenhaley,

Plaintiff(s)

Defendant(s)

IN THE COURT OF COMMON PLEAS

CIVIL ACTION COVER SHEET

2012-CP-40-

0249

(Please Print) Submitted By: J. Ronald Jones, Jr.
Address: CLAWSON AND STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144

SC Bar #: 0066091
Telephone #: (843) 577-2026
Fax #: (843) 722-2867
Other:
E-mail: rjones@clawsonandstaubes.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law.

DOCKETING INFORMATION (Check all that apply)
If Action is Judgment/Settlement do not complete

- JURY TRIAL demanded in complaint.
NON-JURY TRIAL demanded in complaint.
This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
This case is exempt from ADR (Proof of ADR/Exemption Attached).

NATURE OF ACTION (Check One Box Below)

- Contracts: Construction (100), Debt Collection (110), Employment (120), General (130), Breach of Contract(140), Other (199)
Torts - Professional Malpractice: Dental Malpractice (200), Legal Malpractice (210), Medical Malpractice (220), Notice/File Med Mal (230), Previous Not of Intent Case# 20 -CP-, Other (299)
Torts - Personal Injury: Assault/Slander/Libel (300), Conversion (310), Motor Vehicle Accident (320), Premises Liability (330), Products Liability (340), Personal Injury (350), Wrongful Death (360), Other (399)
Real Property: Claim & Delivery (400), Condemnation (410), Foreclosure (420), Mechanic's Lien (430), Partition (440), Possession (450), Building Code Violation (460), Other (499)
Inmate Petitions: PCR (500), Mandamus (520), Habeas Corpus (530), Other (599)
Judgments/Settlements: Death Settlement (700), Foreign Judgment (710), Magistrate's Judgment (720), Minor Settlement (730), Transcript Judgment (740), Lis Pendens (750), Transfer of Structured Settlement Payment Rights Application (760), Other (799)
Administrative Law/Relief: Reinstate Driver's License (800), Judicial Review (810), Relief (820), Permanent Injunction (830), Forfeiture-Petition (840), Forfeiture-Consent Order (850), Other (899)
Appeals: Arbitration (900), Magistrate- Civil (910), Magistrate- Criminal (920), Municipal (930), Probate Court (940), SCDOT (950), Worker's Comp (960), Zoning Board (970), Public Service Commission (990), Employment Security Comm (991), Other (999)
Special/Complex/Other: Environmental (600), Automobile Arb. (610), Medical (620), Other (699), Pharmaceuticals (630), Unfair Trade Practice (640), Out-of State Depositions (650), Motion to Quash Subpoena in an Out-of-County Action (660), Sexual Predator (510)

SUBMITTING PARTY SIGNATURE:

[Handwritten Signature]

DATE:

January 11, 2012

NOTE: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann § 15-36-10 et. seq.

FOR MANDATED ADR COUNTIES ONLY

Allendale, Anderson, Beaufort, Clarendon, Colleton, Florence, Greenville, Hampton, Horry, Jasper, Lee, Lexington, Pickens (Family Court Only), Richland, Sumter, Union, Williamsburg, and York

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

You are required to take the following action(s):

1. The parties shall select a neutral and file a "Proof of ADR" form on or by the 210th day of the filing of this action. If the parties have not selected a neutral within 210 days, the Clerk of Court shall then appoint a primary and secondary mediator from the current roster on a rotating basis from among those mediators agreeing to accept cases in the county in which the action has been filed.
2. The initial ADR conference must be held within 300 days after the filing of the action.
3. Pre-suit medical malpractice mediations required by S.C. Code § 15-79-125 shall be held not later than 120 days after all defendants are served with the "Notice of Intent to File Suit" or as the court directs. (Medical malpractice mediation is mandatory statewide.)
4. Case are exempt from ADR only upon the following grounds
 - a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeas corpus, or prohibition;
 - b. Requests for temporary relief;
 - c. Appeals;
 - d. Post Conviction relief matters;
 - e. Contempt of Court proceedings;
 - f. Forfeiture proceedings brought by the government entities;
 - g. Mortgage foreclosures; and
 - h. Cases that have been previously subjected to an ADR conference, unless otherwise required by Rule 3 or statute
5. In cases not subject to ADR, the Chief Judge for Administrative Purposes, upon the motion of the court or of any party, may order a case to mediation.
6. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference had been concluded.

Please Note: You must comply with the Supreme Court Rules regarding ADR. Failure to do so may affect your case or may result in sanctions.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)
)
BRANCH BANKING AND TRUST)
COMPANY,)

Plaintiff,)

vs.)

GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)

Defendants.)

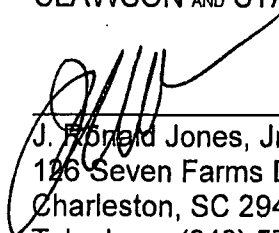
IN THE COURT OF COMMON PLEAS
CASE NO.: 2012-CP-40-0249

SUMMONS
(Collection - Non-Jury)

RECEIVED
CLERK OF COURT
JAN 11 2012
COURT HOUSE
COLUMBIA, SC

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer to the said Complaint on the Plaintiff's attorney J. Ronald Jones, Jr., 126 Seven Farms Drive, Suite 200, Charleston, SC 29492, within thirty (30) days after the service hereof, exclusive of the day of such service. If you fail to answer the Complaint or otherwise appear and defend within the time aforesaid, the Plaintiff in this action will obtain a judgment against you for the relief demanded in the Complaint.

CLAWSON AND STAUBES, LLC



J. Ronald Jones, Jr.
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144
Telephone (843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina

January 11, 2012

It is our understanding that you are not currently in bankruptcy. If you are in bankruptcy, then please disregard this Summons in its entirety and have your attorney contact our office as soon as possible.

ROA0006

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.
GUNTER II, and HARRY B.
BENENHALEY,

Defendants.

IN THE COURT OF COMMON PLEAS

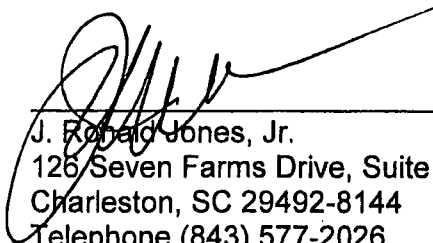
CASE NO.: 2012-CP-40-0249

**NOTICE
(Collection - Non-Jury)**

RECEIVED
COURT CLERK
JAN 13 2012
10:52 AM
CLERK'S OFFICE

YOU WILL ALSO TAKE NOTICE, that should you fail to answer the foregoing Summons, the Plaintiff will move for a General Order of Reference of this cause to the Honorable Master-in-Equity for Richland County, which Order shall, pursuant to SCRPC Rule 53, of the South Carolina Code of Law (1976), as amended, specifically provide that the said Master-in-Equity is authorized and empowered to enter a final judgment in this case, which judgment shall be appealable to the Supreme Court of South Carolina.

CLAWSON AND STAUBES, LLC



J. Ronald Jones, Jr.
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144
Telephone (843) 577-2026

Attorneys for Plaintiff

Charleston, South Carolina

January 11, 2012

It is our understanding that you are not currently in bankruptcy. If you are in bankruptcy, then please

ROA0007

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.
GUNTER II, and HARRY B.
BENENHALEY,

Defendants.

IN THE COURT OF COMMON PLEAS

CASE NO.: 2012-CP-40- 0249

**COMPLAINT
(Collection - Non-Jury)**

2012 JUN 13 AM 10:32
JAMES H. HARRIS
CLERK OF COURT
SOUTH CAROLINA

The Plaintiff complaining of the Defendants alleges and says:

1. That Branch Banking and Trust Company ("Plaintiff") is a lending institution doing business under the laws of the State of South Carolina.
2. That the Defendant, Graphic Express, LLC is a corporation authorized to do business in the State of South Carolina and doing business in South Carolina.
3. That the Defendants, Lanny R. Gunter II and Harry B. Benenhaley, are citizens and residents of Richland County, South Carolina and are neither infants nor incompetent persons and are not in the military service.
4. This Court has jurisdiction over the subject matter and parties to this action pursuant to South Carolina Code Annotated sections 36-2-802 and 36-2-803(A)(1) and (7).

**FOR A FIRST CAUSE OF ACTION
(Suit on Note)**

5. On or about October 19, 2009, the Plaintiff provided credit to the Defendant, Graphic Express, LLC, pursuant to a Promissory Note and Security Agreement ("Note"), wherein they promised to pay \$82,000.00, plus interest. A copy of the Note is attached hereto as **Exhibit "A"** and incorporated herein by reference.

6. Defendant, Graphic Express, LLC, is in default under the terms of the Note by reason of Defendant, Graphic Express, LLC's failure to make monthly payments when due. There is currently an outstanding balance due of \$50,263.06. A copy of the Affidavit of Account is attached hereto as **Exhibit "B"**, and its terms are incorporated herein by reference.

7. The Defendant, Graphic Express, LLC, has failed to pay the outstanding balance set forth in paragraph 6 above despite Plaintiff's demand for payment of same.

ROA0008

8. The Note provides for interest to be recovered at the per diem rate of \$11.01.

9. The Note further provides for the collection of reasonable attorney's fees, and the Defendant, Graphic Express, LLC, is hereby given notice by Plaintiff of its intention to collect reasonable attorney's fees.

**FOR A SECOND CAUSE OF ACTION
(Suit on Guaranty)**

10. Plaintiff reincorporates and realleges each of the previous allegations as fully as if repeated herein verbatim.

11. In order to induce Plaintiff to enter into the Note with Defendant, Graphic Express, LLC, Defendants, Lanny R. Gunter II and Harry B. Benenhaley, executed an agreement personally guaranteeing payment of all obligations of Graphic Express, LLC, plus costs, fees and any other obligation due Plaintiff under the Contract. Copies of the Guaranty Agreements executed by Defendants, Lanny R. Gunter II and Harry Benenhaley, are annexed hereto as **Exhibit "C"**, and incorporated herein by reference.

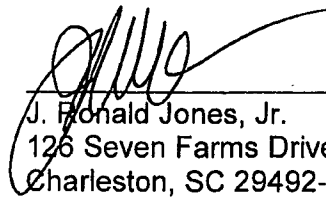
12. The Guaranty Agreements guarantee payment of all obligations, unconditional and joint and several.

13. Under the terms of the Guaranty Agreements, Defendants, Lanny R. Gunter II and Harry Benenhaley, are liable for the full amount due under the Note.

14. Plaintiff is entitled to judgment against Defendants, Lanny R. Gunter II and Harry B. Benenhaley, in the amount of \$50,263.06, as of November 23, 2011, plus interest subsequently accruing thereon at the per diem rate of \$11.01, and attorneys fees and costs.

WHEREFORE, the Plaintiff demands judgment against the Defendants, Graphic Express, LLC, Lanny R. Gunter II, and Harry B. Benenhaley, jointly and severally, in the amount of \$50,263.06, together with interest at the per diem rate of \$11.01 from and after November 23, 2011 until the date of judgment and thereafter at the rate of judgment rate until paid in full, plus reasonable attorney's fees of the Plaintiff, and the costs of this action.

CLAWSON AND STAUBES, LLC



J. Donald Jones, Jr.
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144
Telephone (843) 577-2026

Attorneys for Plaintiff

Charleston, South Carolina
January 11, 2012

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
BRANCH BANKING AND TRUST)
COMPANY,)

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)

Defendants.)

IN THE COURT OF COMMON PLEAS

CASE NO.: 2012-CP-40- 0249

CORPORATE VERIFICATION

2012 JAN 19 AM 10:32
SURREY COUNTY
CLERK OF SUPERIOR
COURT & CLERK

Elliott Rethmeier

, being duly sworn, deposes and says:
That he/she is an agent and employee of Branch Banking and Trust Company, Plaintiff herein; that he/she is authorized to execute this verification on its behalf; that he/she has read the foregoing Complaint and knows the contents thereof, and that the same is true of his/her own knowledge, except as to the matters therein stated upon information and belief, and as to those he/she believes them to be true.

BRANCH BANKING AND TRUST COMPANY

By: Elliott Rethmeier
Print Name: Elliott Rethmeier
Title: Authorized Representative

Sworn to before me this 4
day of January, 2012.

Yvonne Beck
Notary Public for South Carolina

My Commission Expires: 1/15/2013

YVONNE BECK
NOTARY PUBLIC
SURREY COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES JANUARY 15, 2013

ROA0010

Borrower: GRAPHIC EXPRESS LLC

Account Number: [REDACTED]

Note Number: 00001

Address: 1041 GATES ROAD
IRMO, SC 29063-0000



COLUMBIA, South Carolina
Date: October 19, 2009

PROMISSORY NOTE

BORROWER(S) REPRESENTS HERewith THAT THE LOAN EVIDENCED HEREBY IS BEING OBTAINED FOR BUSINESS/COMMERCIAL PURPOSES. For value received, the undersigned, jointly and severally, if more than one, promiss to pay to BRANCH BANKING AND TRUST COMPANY, a North Carolina banking corporation (the "Bank"), or order, at said bank at any of its offices in the above referenced city (or such other place or places that may be hereafter designated by Bank), the sum of

EIGHTY-TWO THOUSAND DOLLARS & 00/100

Dollars (\$ 82,000.00), in immediately available coin or currency of the United States of America.

Borrower shall pay a prepayment fee as set forth in the Prepayment Fee Addendum attached hereto.

Interest shall accrue from the date hereof on the unpaid balance outstanding from time to time at the:

Fixed rate of _____ % per annum.

Variable rate of the Bank's Prime Rate plus .0500 % per annum to be adjusted Monthly, on the 1st as the Bank's Prime Rate changes. If checked here the interest rate will not exceed a(n) fixed average maximum rate of 99.000 % or a floating maximum rate of the greater of _____ % or the Bank's Prime Rate; and the interest rate will not decrease below a fixed minimum rate of 4.500 %. If an average maximum rate is specified, a determination of any required reimbursement of interest by Bank

will be made: when Note is repaid in full by Borrower annually beginning on _____ Fixed rate of _____ % per annum through _____ which automatically converts on _____ to a variable rate equal to the Bank's Prime Rate plus _____ % per annum which shall be adjusted _____ as such Prime Rate changes.

Principal and interest is payable as follows

Principal (plus any accrued interest not otherwise scheduled herein)

Principal plus accrued interest

Payable in consecutive Monthly installments of Principal Principal and interest } commencing on 11/20/2009

and continued on the same day of each calendar period thereafter, in 47 equal payments of \$ 1,872.31, with one final payment of all remaining principal and accrued interest due on 10/20/2013

ChoiceLine Payment Option: 2% of outstanding balance is payable monthly commencing on _____ and continuing on the same day of each calendar period thereafter, with one final payment of all remaining principal and accrued interest due on _____

Accrued interest is payable _____ commencing on _____ and continuing on the same day of each calendar period thereafter, with one final payment of all remaining interest due on _____

Bank reserves the right in its sole discretion to adjust the fixed payment due hereunder Quarterly on 01/19/2010 and continuing on the same day of each calendar period thereafter, in order to maintain an amortization period of no more than 48 months from the date of the initial principal payment due hereunder. Borrower understands the payment may increase if interest rates increase.

Prior to an event of default, Borrower may borrow, repay, and reborrow hereunder pursuant to the terms of the Loan Agreement, hereinafter defined.

Borrower hereby authorizes Bank to automatically draft from its demand deposit or savings account(s) with Bank or other bank, any payment(s) due under this Note on the date(s) due. Borrower shall provide appropriate account number(s) for account(s) at Bank or other bank.

The undersigned shall pay to Bank a late fee in the amount of five percent (5%) of any installment past due for fifteen (15) or more days. When any installment payment is past due for fifteen (15) or more days, subsequent payments shall first be applied to the past due balance. In addition, the undersigned shall pay to Bank a returned payment fee if the undersigned or any other obligor hereon makes any payment at any time by check or other instrument, or by any electronic means, which is returned to Bank because of nonpayment due to non-sufficient funds.

All interest shall be computed and charged for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. In the event periodic accruals of interest shall exceed any periodic fixed payment amount described above, the fixed payment amount shall be immediately increased, or additional supplemental interest payments required on the same periodic basis as specified above (increased fixed payments or supplemental payments to be determined in the Bank's sole discretion), in such amounts and at such times as shall be necessary to pay all accruals of interest for the period and all accruals of unpaid interest from previous periods. Such adjustments to the fixed payment amount or supplemental payments shall remain in effect for so long as the interest accruals shall exceed the original fixed payment amount and shall be further adjusted upward or downward to reflect changes in the variable interest rate; provided that unless elected otherwise above, the fixed payment amount shall not be reduced below the original fixed payment amount. However, Bank shall have the right, in its sole discretion, to lower the fixed payment amount below the original payment amount.

This Note is given by the undersigned in connection with the following agreements (if any) between the undersigned and the Bank:

Mortgage(s) / Deed of Trust(s) granted in favor of Bank as mortgagee / beneficiary:

dated _____ in the maximum principal amount of \$ _____ granted by _____

dated _____ in the maximum principal amount of \$ _____ granted by _____

ACCOUNT# / NOTE#

[REDACTED] 00001

14725C (09/07)



Page 1 of 4

ENGAD 800-631-6388

EXHIBIT

A

ROA0011

Security Agreement(s) granting a security interest to Bank:

dated 10/19/2009 given by GRAPHIC EXPRESS LLC

dated 10/19/2009 given by BOBS NOVELTIES INC

Securitiles Account Pledge and Security Agreement dated _____, executed by _____

Control Agreement(s) dated _____, covering Deposit Account(s) Invaltant Property
 Letter of Credit Rights Electronic Chattel Paper

Assignment of Certificate of Deposit, Security Agreement, and Power of Attorney (for Certificated Certificates of Deposit dated _____, executed by _____

Pledge and Security Agreement for Publicly Traded Certificated Securitiles dated _____, executed by _____

Assignment of Life Insurance Policy as Collateral dated _____, executed by _____

Loan Agreement dated _____, executed by Borrower and Guarantor(s).

All of the terms, conditions and covenants of the above described agreements (the "Agreements") are expressly made a part of this promissory note (the "Note") by reference in the same manner and with the same effect as if set forth herein at length and any holder of this Note is entitled to the benefits of and remedies provided in the Agreements and any other agreements by and between the undersigned and the Bank. In addition to Bank's right of off-set and to any liens and security interests granted to Bank in the Agreements, the undersigned hereby grants to Bank a security interest in all of its depository accounts with and investment property held by Bank, which shall serve as collateral for the indebtedness and obligations evidenced by this Note.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right of such holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or of any other right on any future occasion. Every one of the undersigned and every endorser or guarantor of this Note regardless of the time, order or place of signing waives presentment, demand, protest and notices of every kind and assents to any one or more extensions or postponements of the time of payment or any other indulgences, to any substitutions, exchanges or releases of collateral if at any time there be available to the holder collateral for this Note, and to the additions or releases of any other parties or persons primarily or secondarily liable.

The failure to pay any part of the principal or interest when due on this Note or to fully perform any covenant, obligation or warranty on this or on any other liability to the Bank by any affiliate (as defined in 11 USC Section (101) (2)), or by any guarantor or surety of this Note (said affiliate, guarantor, and surety are herein called "Obligor"); or if any financial statement or other representation made to the Bank by any of the undersigned or any Obligor shall be found to be materially incorrect or incomplete; or if any of the undersigned shall fail to furnish information to the Bank sufficient to verify the identity of the undersigned as required under the USA Patriot Act; or in the event of a default pursuant to any of the Agreements or any other obligation of any of the undersigned or any Obligor in favor of the Bank; or in the event the Bank demands that the undersigned secure or provide additional security for its obligations under this Note and security deemed adequate and sufficient by the Bank is not given when demanded; or in the event one or more of the undersigned or any Obligor shall die, terminate its existence, allow the appointment of a receiver for any part of its property, make an assignment for the benefit of creditors, or where a proceeding under bankruptcy or insolvency laws is initiated by or against any of the undersigned or any Obligor; or in the event the Bank should otherwise deem itself, its security interest, or any collateral unsafe or insecure; or should the Bank in good faith believe that the prospect of payment or other performance is impaired; or if there is an attachment, execution, or other judicial seizure of all or any portion of the Borrower's or any Obligor's assets, including an action or proceeding to seize any funds on deposit with the Bank, and such seizure is not discharged within 20 days; or if final judgment for the payment of money shall be rendered against the Borrower or any Obligor which is not covered by insurance or debt cancellation and shall remain undischarged for a period of 30 days unless such judgment or execution thereon is effectively stayed; or the termination of any guaranty agreement given in connection with this Note, then any one of the same shall be a material default hereunder and this Note and other debts due the Bank by any one or more of undersigned shall immediately become due and payable without notice, at the option of the Bank. From and after any event of default hereunder, interest shall accrue on the sum of the principal balance and accrued interest then outstanding at the variable rate equal to the Bank's Prime Rate plus 5% per annum ("Default Rate"), provided that such rate shall not exceed at any time the highest rate of interest permitted by the laws of the State of South Carolina; and further provided that such rate shall apply after judgement. In the event of any default, the then remaining unpaid principal amount and accrued but unpaid interest then outstanding shall bear interest at the Default Rate called for hereunder until such principal and interest have been paid in full. In addition, upon default, the Bank may pursue its full legal remedies at law or equity, and the balance due hereunder may be charged against any obligation of the Bank to any party, including any Obligor. Bank shall not be obligated to accept any check, money order, or other payment instrument marked "payment in full" on any disputed amount due hereunder, and Bank expressly reserves the right to reject all such payment instruments. Borrower agrees that tender of its check or other payment instrument so marked will not satisfy or discharge its obligation under this Note, disputed or otherwise, even if such check or payment instrument is inadvertently processed by Bank unless in fact such payment is in fact sufficient to pay the amount due hereunder.

WAIVER OF TRIAL BY JURY. UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS NOTE OR ANY LOAN DOCUMENT EXECUTED IN CONNECTION HEREWITH OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND BANK. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BANK TO MAKE THE LOAN EVIDENCED BY THIS NOTE. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BANK WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

Unless otherwise required under a Loan Agreement, if applicable, and as long as any indebtedness evidenced by this Note remains outstanding or as long as Bank remains obligated to make advances, the undersigned shall furnish annually an updated financial statement in a form satisfactory to Bank, which, when delivered shall be the property of the Bank.

The term "Prime Rate," if used herein, means the rate of interest per annum announced by the Bank from time to time and adopted as its Prime Rate. The Prime Rate is one of several rate indexes employed by the Bank when extending credit. Any change in the interest rate resulting from a change in the Bank's Prime Rate shall become effective as of the opening of business on the effective date of the change. If this Note is placed with an attorney for collection, the undersigned agrees to pay, in addition to principal and interest, all costs of collection, including reasonable attorneys' fees which the undersigned agrees shall be equal to 18% of the principal and interest outstanding at the time of acceleration or other action by Lender to collect the sums due hereunder, unless the actual attorneys' fees incurred, based upon Bank's counsel's normal hourly fees chargeable to Bank, shall be greater than 15% of principal and interest, in which case such billed amount based on such hourly rate shall be the attorneys' fee payable hereunder. All obligations of the undersigned and of any Obligor shall bind his heirs, executors, administrators, successors, and/or assigns. Use of the masculine pronoun herein shall include the feminine and the neuter, and also the plural. If more than one party shall execute this Note, the term "undersigned" as used herein shall mean all the parties signing this Note and each of them, and all such parties shall be jointly and severally obligated hereunder. Whenever possible, each provision of this Note shall be interpreted in such a manner to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under such law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note. All of the undersigned hereby waive all exemptions and homestead laws. The proceeds of the loan evidenced by this Note may be paid to any one or more of the undersigned. No waivers and modifications shall be valid unless in writing and signed by the Bank. In case of conflict between the terms of this Note and the Loan Agreement or Commitment Letter issued in connection herewith, the priority of controlling terms shall be first this Note, then the Loan Agreement, and then the Commitment Letter. This Note shall be governed by and construed in accordance with the laws of South Carolina.

(SIGNATURES ON FOLLOWING PAGE).

BB&T

PROMISSORY NOTE SIGNATURE PAGE

Borrower: GRAPHIC EXPRESS LLC

Account Number:

Note Number: 00001

Note Amount: \$ \$2,000.00

Date: 10/19/2009

Notice of Right to Copy of Appraisal: If a 1-4 family residential dwelling is pledged as collateral for this Note, you, the undersigned, have a right to a copy of the real estate appraisal report used in connection with your application for credit. If you wish to receive a copy, please notify in writing the branch office where you applied for credit. You must forward your request to the Bank no later than 90 days after the date of this Note. In your request letter, please provide your name, mailing address, appraised property address, the date of this Note, and the Account and Note Numbers shown on the front of this Note.

Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within thirty days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. **TO THE FULLEST EXTENT PERMITTED BY LAW AND AS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN, MORTGAGOR HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.**

IN WITNESS WHEREOF, the undersigned, on the day and year first written above, has caused this Note to be executed under seal.

If Borrower is a Corporation:

WITNESS:

NAME OF CORPORATION

By: _____ (SEAL)

Title: _____

By: _____ (SEAL)

Title: _____

If Borrower is a Partnership, Limited Liability Company, or Limited Liability Partnership:

WITNESS:

GRAPHIC EXPRESS LLC

NAME OF PARTNERSHIP, CO., OR LLP

By: [Signature] (SEAL)

Title: President Member

By: _____ (SEAL)

Title: _____

By: _____ (SEAL)

Title: _____

If Borrower is an Individual:

WITNESS:

_____ (SEAL)

Additional Co-makers:

WITNESS:

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

City: COLUMBIA, SC

BB&T SECURITY AGREEMENT

This Security Agreement ("Security Agreement"), is made October 18, 2008, between BOBA NOVELTIES INC

("Debtor"), and Branch Banking and Trust Company, a North Carolina banking corporation ("Secured Party").

This Security Agreement is entered into in connection with (check applicable items):

- (i) a Loan Agreement ("Loan Agreement") dated on or before the date of this Security Agreement under which the Secured Party has agreed to make a loan(s) and/or establish a line(s) of credit;
- (ii) a promissory note dated 10/18/2008 (including all extensions, renewals, modifications and substitutions thereof, the "Note") of the Debtor or of GRAPHIC EXPRESS LLC (the "Borrower"), in the principal amount of \$ 27,000.00
- (iii) a guaranty agreement or agreements (whether one or more, the "Guaranty") executed by the guarantors named therein (whether one or more, the "Guarantors") dated on or about the same date as this Security Agreement;
- (iv) a control agreement covering the Debtor's, Borrower's, or any Guarantor's Deposit Account(s), Investment Property, Letter-of-Credit Rights, or Electronic Chattel Paper dated on or about the same date as this Security Agreement executed by the Debtor, the Borrower, and any such Guarantor;
- (v) the sale by Debtor and purchase by Secured Party of Accounts, Chattel Paper, Payment Intangibles and/or Promissory Notes; and/or
- (vi) _____

Secured Party and Debtor agree as follows:

I. DEFINITIONS.

1.1 Collateral. Unless specific items of personal property are described below, the Collateral shall consist of all now owned and hereafter acquired and wherever located personal property of Debtor identified below, each capitalized term as defined in Article 9 of the South Carolina Uniform Commercial Code ("UCC") (check applicable items):

- (i) Accounts, including all contract rights and health-care-insurance receivables;
 (i-a) The Account(s), contract right(s) and/or Health-Care-Insurance Receivables specifically described as follows: _____
- (ii) Inventory, including all returned inventory;
 (ii-a) The Inventory specifically described as follows: _____
- (iii) Equipment, including all Accessions thereto, and all manufacturer's warranties, parts and tools therefor;
 (iii-a) The Equipment, including all Accessions thereto, all manufacturer's warranties therefor, and all parts and tools therefor, specifically described as follows: _____
- (iv) Investment Property, including the following certificated securities and/or securities account(s) specifically described as follows: _____
- (v) Instruments, including all promissory notes and certificated certificates of deposit specifically described as follows: _____
- (vi) Deposit Accounts with Secured Party specifically described below (list account number(s));
 (vi-a) The Deposit Accounts with other financial institutions specifically described as follows (list financial institution and account numbers): _____
- (vii) Chattel Paper (whether tangible or electronic);
 (vii-a) The Chattel Paper specifically described as follows: _____
- (viii) Goods, including all Fixtures and Timber to be cut, located or situated on the real property specifically described as follows (list legal description as shown on deed including county and state): _____

ACCOUNT# / NOTE#

1476SC (0810) 00001



- (ix) Farm Products, including all crops grown, growing or to be grown, livestock (born and unborn), supplies used or produced in a farming operation, and products of crops and livestock
- (ix-a) The Farm Products specifically described as follows:

- (x) As-Extracted Collateral from the following location(s) (list legal description including county and state):

- (xi) The Letter-of-Credit Rights under the following letter(s) of credit (list issuer, number and amount):

- (xii) Documents of Title, including all warehouse receipts and bills of lading specifically described as follows:

- (xiii) Commercial Tort Claim(s) more specifically described as follows:

- (xiv) Money, including currency and/or rare coins delivered to and in possession of the Secured Party specifically described as follows:

- (xv) Software specifically described as follows:

- (xvi) Manufactured Home(s):

Model	Year	Serial Number 1	Doublewide Serial Number 2
1.			
2.			

- (xvii) Vehicles, including recreational vehicles and watercraft described below:

New/Used	Year/Make	Model/Body Type	VIN Number/Serial Number
1.			
2.			
3.			
4.			
5.			
6.			

- (xviii) General Intangibles, including all Payment Intangibles, copyrights, trademarks, patents, tradenames, tax refunds, company records (paper and electronic), rights under equipment leases, warranties, software licenses, and the following, if any:

- (xix) Supporting Obligations:

- (xx) to the extent not listed above as original collateral, all proceeds (cash and non-cash) and products of the foregoing.

See Schedule "A" to Security Agreement.

1.2 Obligations. This Security Agreement secures the following (collectively, the "Obligations"):

- (i) Debtor's or Borrower's obligations under the Note, the Loan Agreement, and this Security Agreement, and in addition to the foregoing obligations, if the Debtor is a Guarantor, its obligations under its Guaranty;
- (ii) all of Debtor's or Borrower's present and future indebtedness and obligations to Secured Party including without limitation any obligation to reimburse and repay Secured Party for paying any Standby or Commercial Letter of Credit issued on the account of Debtor or Borrower and all indebtedness and obligations of Debtor or Borrower to Secured Party (or an affiliate of Secured Party) under any interest rate swap transactions, interest rate cap and/or floor transactions, interest rate collar transactions, swap agreements (as defined in 11 U.S.C. § 101) or other similar transactions or agreements, including without limitation any ISDA Master Agreement executed by Debtor or Borrower and all Schedules and Confirmations entered into in connection therewith, hereinafter collectively referred to as a Hedge Agreement;
- (iii) the repayment of (a) any amounts that Secured Party may advance or spend for the maintenance or preservation of the Collateral, and (b) any other expenditures that Secured Party may make under the provisions of this Security Agreement or for the benefit of Debtor or Borrower;
- (iv) all amounts owed under any modifications, renewals, extensions or substitutions of any of the foregoing obligations;
- (v) all Default Costs, as defined in Paragraph VIII of this Security Agreement; and
- (vi) any of the foregoing that may arise after the filing of a petition by or against Debtor or Borrower under the Bankruptcy Code, even if the obligations do not accrue because of the automatic stay under Bankruptcy Code § 362 or otherwise.

1.3 UCC Any term used in the UCC and not otherwise defined in this Security Agreement has the meaning given to the term in the UCC.

II. GRANT OF SECURITY INTEREST.

Debtor grants a security interest in the Collateral to Secured Party to secure the payment and performance of the Obligations.

III. PERFECTION OF SECURITY INTERESTS.

3.1 Filing of Security Interests.

- (i) Debtor authorizes Secured Party to execute on the Debtor's behalf and file any financing statement (the "Financing Statement") describing the Collateral in any location deemed necessary and appropriate by Secured Party.
- (ii) Debtor authorizes Secured Party to file a Financing Statement describing any agricultural liens or other statutory liens held by Secured Party.
- (iii) Secured Party shall receive prior to the closing an official report from the Secretary of State of each Place of Business and the Debtor State, each as defined below, collectively (the "Filing Reports") indicating that Secured Party's security interest is prior to all other security interests or other interests reflected in the report.

3.2 Possession.

- (i) Debtor shall have possession of the Collateral, except where expressly otherwise provided in this Security Agreement or where Secured Party chooses to perfect its security interest by possession in addition to the filing of a Financing Statement.
- (ii) Where Collateral is in the possession of a third party, Debtor will join with Secured Party in notifying the third party of Secured Party's security interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Secured Party.

3.3 Control Agreements. Debtor will cooperate with Secured Party in obtaining a control agreement in form and substance satisfactory to Secured Party with respect to Collateral consisting of (check appropriate items):

- Deposit Accounts (for deposit accounts at other financial institutions);
- Investment Property for securities accounts, mutual funds and other uncertificated securities;
- Letter-of-credit rights; and/or
- Electronic chattel paper.

3.4 Marking of Chattel Paper. If Chattel Paper is part of the Collateral, Debtor will not create any Chattel Paper without placing a legend on the Chattel Paper acceptable to Secured Party indicating that Secured Party has a security interest in the Chattel Paper.

IV. POST-CLOSING COVENANTS AND RIGHTS CONCERNING THE COLLATERAL.

4.1 Inspection. The parties to this Security Agreement may inspect any Collateral in the other party's possession, at any time upon reasonable notice.

4.2 Personal Property. Except for items specifically identified by Debtor and Secured Party as fixtures, the Collateral shall remain personal property at all times, and Debtor shall not affix any of the Collateral to any real property in any manner which would change its nature from that of personal property to real property or to a fixture.

4.3 Secured Party's Collection Rights. Secured Party shall have the right at any time to enforce Debtor's rights against any account debtors and obligors.

4.4 Limitations on Obligations Concerning Maintenance of Collateral.

- (i) Risk of Loss. Debtor has the risk of loss of the Collateral.
- (ii) No Collection Obligation. Secured Party has no duty to collect any income accruing on the Collateral or to preserve any rights relating to the Collateral.

4.5 No Disposition of Collateral. Secured Party does not authorize, and Debtor agrees not to:

- (i) make any sales or leases of any of the Collateral other than in the ordinary course of business;
- (ii) license any of the Collateral; or
- (iii) grant any other security interest in any of the Collateral.

4.6 Purchase Money Security Interests. To the extent Debtor uses the Loan to purchase Collateral, Debtor's repayment of the Loan shall apply on a "first-in-first-out" basis so that the portion of the Loan used to purchase a particular item of Collateral shall be paid in the chronological order the Debtor purchased the Collateral.

4.7 Insurance. Debtor shall obtain and keep in force such insurance on the Collateral as is normal and customary in the Debtor's business or as the Secured Party may require, all in such amounts, under such forms of policies, upon such terms, for such periods and written by such insurance companies as the Secured Party may approve. All policies of insurance will contain the long-form Lender's Loss Payable clause in favor of the Secured Party, and the Debtor shall deliver the policies or complete copies thereof to the Secured Party. Such policies shall be noncancellable except upon thirty (30) days' prior written notice to the Secured Party. The proceeds of all such insurance, if any loss should occur, may be applied by the Secured Party to the payment of the Obligations or to the replacement of any of the Collateral damaged or destroyed, as the Secured Party may elect or direct in its sole discretion. The Debtor hereby appoints (which appointment constitutes a power coupled with an interest and is irrevocable as long as any of the Obligations remain outstanding) Secured Party as its lawful attorney-in-fact with full authority to make, adjust, settle claims under and/or cancel such insurance and to endorse the Debtor's name on any instruments or drafts issued by or upon any insurance companies.

V. DEBTORS REPRESENTATIONS AND WARRANTIES.

Debtor represents and warrants to Secured Party:

5.1 Title to and transfer of Collateral. It has rights in or the power to transfer the Collateral and its title to the Collateral is free of all adverse claims, liens, security interests and restrictions on transfer or pledge except as created by this Security Agreement.

5.2 Location of Collateral. All collateral consisting of goods (equipment, inventory, fixtures, crops, unborn young of animals, timber to be cut, manufactured homes; and other tangible, movable personal property) is located solely in the following States (the "Collateral States"): SC

5.3 Location, State of Incorporation and Name of Debtor. Debtor's:

- (i) chief executive office (if Debtor has more than one place of business), place of business (if Debtor has one place of business), or principal residence (if Debtor is an individual), is located in the following State and address (the "Place of Business"): 1041 GATES RD
IRMO, SC 29063-3632
- (ii) state of incorporation or organization is South Carolina (the "Debtor State");
- (iii) exact legal name is as set forth in the first paragraph of this Security Agreement.

- 6.4 **Business or Agricultural Purpose.** None of the Obligations is a Consumer Transaction, as defined in the UCC and none of the Collateral has been or will be purchased or held primarily for personal, family or household purposes.

VI. DEBTORS COVENANTS.

Until the Obligations are paid in full, Debtor agrees that it will:

- 6.1 preserve its legal existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets;
- 6.2 not change the Debtor State of its registered organization;
- 6.3 not change its registered name without providing Secured Party with 30 days prior written notice; and
- 6.4 not change the state of its Piece of Business or, if Debtor is an individual, change his state of residence without providing Secured Party with 30 days prior written notice.

VII. EVENTS OF DEFAULT.

The occurrence of any of the following shall, at the option of Secured Party, be an Event of Default:

- 7.1 Any default or Event of Default by Borrower or Debtor under the Note, Loan Agreement, Hedge Agreement or any of the other loan documents, and any Guaranty or any of the other Obligations;
- 7.2 Debtor's failure to comply with any of the provisions of, or the incorrectness of any representation or warranty contained in, this Security Agreement, the Note, the Loan Agreement, or in any other document relating to the Obligations;
- 7.3 Transfer or disposition of any of the Collateral, except as expressly permitted by this Security Agreement;
- 7.4 Attachment, execution or levy on any of the Collateral;
- 7.5 Debtor voluntarily or involuntarily becoming subject to any proceeding under (a) the Bankruptcy Code or (b) any similar remedy under state statutory or common law;
- 7.6 Debtor shall fail to comply with, or become subject to any administrative or judicial proceeding under any federal, state or local (a) hazardous waste or environmental law, (b) asset forfeiture or similar law which can result in the forfeiture of property, or (c) other law, where noncompliance may have any significant effect on the Collateral; or
- 7.7 Secured Party shall receive at any time following the closing a UCC filing report indicating that Secured Party's security interest is not prior to all other security interests or other interests reflected in the report.

VIII. DEFAULT COSTS.

- 8.1 Should an Event of Default occur, Debtor will pay to Secured Party all costs incurred by the Secured Party for the purpose of enforcing its rights hereunder, including:
- (i) costs of foreclosure;
 - (ii) costs of obtaining money damages; and
 - (iii) a reasonable fee for the service of attorneys employed by Secured Party for any purpose related to this Security Agreement or the Obligations, including without limitation consultation, drafting documents, sending notices or instituting, prosecuting or defending litigation or arbitration.

IX. REMEDIES UPON DEFAULT.

- 9.1 **General.** Upon any Event of Default, Secured Party may pursue any remedy available at law (including those available under the provisions of the UCC), or in equity to collect, enforce or satisfy any Obligations then owing, whether by acceleration or otherwise.
- 9.2 **Concurrent Remedies.** Upon any Event of Default, Secured Party shall have the right to pursue any of the following remedies separately, successively or concurrently:
- (i) File suit and obtain judgment and, in conjunction with any action, Secured Party may seek any ancillary remedies provided by law or at equity, including levy of attachment and garnishment.
 - (ii) Take possession of any Collateral if not already in its possession without demand and without legal process. Upon Secured Party's demand, Debtor will assemble and make the Collateral available to Secured Party as it directs. Debtor grants to Secured Party the right, for this purpose, to enter into or on any premises where Collateral may be located.
 - (iii) Without taking possession, sell, lease or otherwise dispose of the Collateral at public or private sale in accordance with the UCC.

X. FORECLOSURE PROCEDURES.

- 10.1 **No Waiver.** No delay or omission by Secured Party to exercise any right or remedy accruing upon any Event of Default shall (a) impair any right or remedy, (b) waive any default or operate as an acquiescence to the Event of Default, or (c) affect any subsequent default of the same or of a different nature.
- 10.2 **Notices.** Secured Party shall give Debtor such notice of any private or public sale as may be required by the UCC.
- 10.3 **Condition of Collateral.** Secured Party has no obligation to repair, clean-up or otherwise prepare the Collateral for sale.
- 10.4 **No Obligation to Pursue Others.** Secured Party has no obligation to attempt to satisfy the Obligations by collecting them from any other person liable for them and Secured Party may release, modify or waive any collateral provided by any other person to secure any of the Obligations, all without affecting Secured Party's rights against Debtor. Debtor waives any right it may have to require Secured Party to pursue any third person for any of the Obligations.
- 10.5 **Compliance With Other Laws.** Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.
- 10.6 **Warranties.** Secured Party may sell the Collateral without giving any warranties as to the Collateral and may specifically disclaim any warranties of title or the like. This procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.
- 10.7 **Sales on Credit.** If Secured Party sells any of the Collateral upon credit, Debtor will be credited only with payments actually made by the purchaser, received by Secured Party and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor shall be credited with the proceeds of the sale and when received, less expenses.
- 10.8 **Purchases by Secured Party.** In the event Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting some or all of the Obligations of the Debtor.

- 10.9 **No Marshalling.** Secured Party have no obligation to marshal any assets in favor of Debtor, or against or in payment of
- (i) the Note,
 - (ii) any of the other Obligations, or
 - (iii) any other obligation owed to Secured Party, Borrower or any other person.

XI. MISCELLANEOUS.

11.1 Assignment.

- (i) **Binds Assignees.** This Security Agreement shall bind and shall inure to the benefit of the successors and assigns of Secured Party, and shall bind all heirs, personal representatives, executors, administrators, successors and permitted assigns of Debtor.
- (ii) **No Assignments by Debtor.** Secured Party does not consent to any assignment by Debtor except as expressly provided in this Security Agreement.
- (iii) **Secured Party Assignments.** Secured Party may assign its rights and interests under this Security Agreement. If an assignment is made, Debtor shall render performance under this Security Agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses or set-offs which Debtor could assert against Secured Party except defenses which cannot be waived.

11.2 **Severability.** Should any provision of this Security Agreement be found to be void, invalid or unenforceable by a court or panel of arbitrators of competent jurisdiction, that finding shall only effect the provisions found to be void, invalid or unenforceable and shall not effect the remaining provisions of this Security Agreement.

11.3 **Notices.** Any notices required by this Security Agreement shall be deemed to be delivered when a record has been (a) deposited in any United States postal box if postage is prepaid, and the notice properly addressed to the intended recipient, (b) received by telecopy, (c) received through the Internet, and (d) when personally delivered.

11.4 **Headings.** Section headings used in this Security Agreement are for convenience only. They are not a part of this Security Agreement and shall not be used in construing it.

11.5 **Governing Law.** This Security Agreement is being executed and delivered and is intended to be performed in the State of South Carolina and shall be construed and enforced in accordance with the laws of the State of South Carolina, except to the extent that the UCC provides for the application of the law of the Debtor State.

11.6 Rules of Construction.

- (i) No reference to "proceeds" in this Security Agreement authorizes any sale, transfer, or other disposition of the Collateral by the Debtor except in the ordinary course of business.
- (ii) "Includes" and "including" are not limiting.
- (iii) "Or" is not exclusive.
- (iv) "All" includes "any" and "any" includes "all".

11.7 Integration and Modifications.

- (i) This Security Agreement is the entire agreement of the Debtor and Secured Party concerning its subject matter.
- (ii) Any modification to this Security Agreement must be made in writing and signed by the party adversely affected.

11.8 **Waiver.** Any party to this Security Agreement may waive the enforcement of any provision to the extent the provision is for its benefit.

11.9 **Further Assurances.** Debtor agrees to execute any further documents, and to take any further actions, reasonably requested by Secured Party to evidence or perfect the security interest granted herein or to effectuate the rights granted to Secured Party herein.

11.10 **WAIVER OF TRIAL BY JURY.** UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS SECURITY AGREEMENT OR ANY LOAN DOCUMENT EXECUTED IN CONNECTION HERewith OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND SECURED PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR SECURED PARTY TO MAKE THE LOAN TO DEBTOR OR BORROWER. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF SECURED PARTY, NOR SECURED PARTY'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SECURED PARTY WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF SECURED PARTY, NOR SECURED PARTY'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

SIGNATURES ON THE FOLLOWING PAGE

The parties have signed this Security Agreement under seal as of the day and year first above written.

If Debtor is a Corporation:

WITNESS:

BOBS NOVELTIES INC
NAME OF CORPORATION

By: _____ (SEAL)

Title: _____

By: _____ (SEAL)

Title: _____

If Debtor is a Partnership, Limited Liability Company, or Limited Liability Partnership:

WITNESS:

NAME OF PARTNERSHIP, LLC, OR LLP

By: _____ (SEAL)

Title: _____

By: _____ (SEAL)

Title: _____

By: _____ (SEAL)

Title: _____

If Debtor is an Individual:

WITNESS:

TYPE NAME OF DEBTOR _____ (SEAL)

TYPE NAME OF DEBTOR _____ (SEAL)

BB&T SECURITY AGREEMENT

This Security Agreement ("Security Agreement"), is made October 18, 2008 between GRAPHIC EXPRESS LLC

("Debtor"), and Branch Banking and Trust Company, a North Carolina banking corporation ("Secured Party").

This Security Agreement is entered into in connection with (check applicable items):

- (i) a Loan Agreement ("Loan Agreement") dated on or before the date of this Security Agreement under which the Secured Party has agreed to make a loan(s) and/or establish a line(s) of credit;
(ii) a promissory note dated 10/18/2008 (including all extensions, renewals, modifications and substitutions thereof, the "Note") of the Debtor or of (the "Borrower") in the principal amount of \$ 52,000.00
(iii) a guaranty agreement or agreements (whether one or more, the "Guaranty") executed by the guarantors named therein (whether one or more, the "Guarantors") dated on or about the same date as this Security Agreement;
(iv) a control agreement covering the Debtor's, Borrower's, or any Guarantor's Deposit Account(s), Investment Property, Letter-of-Credit Rights, or Electronic Chattel Paper dated on or about the same date as this Security Agreement executed by the Debtor, the Borrower, and any such Guarantor;
(v) the sale by Debtor and purchase by Secured Party of Accounts, Chattel Paper, Payment Intangibles and/or Promissory Notes; and/or
(vi)

Secured Party and Debtor agree as follows:

I. DEFINITIONS.

1.1 Collateral. Unless specific items of personal property are described below, the Collateral shall consist of all now owned and hereafter acquired and wherever located personal property of Debtor identified below, each capitalized term as defined in Article 9 of the South Carolina Uniform Commercial Code ("UCC")(check applicable items):

- (i) Accounts, including all contract rights and health-care-insurance receivables;
(i-a) The Account(s), contract right(s) and/or Health-Care-Insurance Receivables specifically described as follows:
(ii) Inventory, including all returned inventory;
(ii-a) The Inventory specifically described as follows:
(iii) Equipment, including all Accessions thereto, and all manufacturer's warranties, parts and tools therefor;
(iii-a) The Equipment, including all Accessions thereto, all manufacturer's warranties therefor, and all parts and tools therefor, specifically described as follows:
(iv) Investment Property, including the following certificated securities and/or securities account(s) specifically described as follows:
(v) Instruments, including all promissory notes and certificated certificates of deposit specifically described as follows:
(vi) Deposit Accounts with Secured Party specifically described below (list account number(s));
(vi-a) The Deposit Accounts with other financial institutions specifically described as follows (list financial institution and account numbers):
(vii) Chattel Paper (whether tangible or electronic);
(vii-a) The Chattel Paper specifically described as follows:
(viii) Goods, including all Fixtures and timber to be cut, located or situated on the real property specifically described as follows (list legal description as shown on deed including county and state):

ACCOUNT# / NOTES

1478SC (0410) 00001



- (ix) Farm Products, including all crops grown, growing or to be grown, livestock (born and unborn), supplies used or produced in a farming operation, and products of crops and livestock;
- (ix-a) The Farm Products specifically described as follows:

- (x) As-Extracted Collateral from the following location(s) (flat legal description including county and state):

- (xi) The Letter-of-Credit Rights under the following letter(s) of credit (flat issuer, number and amount):

- (xii) Documents of Title, including all warehouse receipts and bills of lading specifically described as follows:

- (xiii) Commercial Tort Claim(s) more specifically described as follows:

- (xiv) Money, including currency and/or rare coins delivered to and in possession of the Secured Party specifically described as follows:

- (xv) Software specifically described as follows:

- (xvi) Manufactured Home(s):

Model	Year	Serial Number 1	Doublewide Serial Number 2
1.			
2.			

- (xvii) Vehicles, including recreational vehicles and watercraft described below:

New/Used	Year/Make	Model/Body Type	VIN Number/Serial Number
1.			
2.			
3.			
4.			
5.			
6.			

- (xviii) General Intangibles, including all Payment Intangibles, copyrights, trademarks, patents, tradenames, tax refunds, company records (paper and electronic), rights under equipment leases, warranties, software licenses, and the following, if any:

- (xix) Supporting Obligations;

- (xx) to the extent not listed above as original collateral, all proceeds (cash and non-cash) and products of the foregoing.

See Schedule "A" to Security Agreement.

1.2 Obligations. This Security Agreement secures the following (collectively, the "Obligations"):

- (i) Debtor's or Borrower's obligations under the Note, the Loan Agreement, and this Security Agreement, and in addition to the foregoing obligations, if the Debtor is a Guarantor, its obligations under its Guaranty;
- (ii) all of Debtor's or Borrower's present and future indebtedness and obligations to Secured Party including without limitation any obligation to reimburse and repay Secured Party for paying any Standby or Commercial Letter of Credit issued on the account of Debtor or Borrower and all indebtedness and obligations of Debtor or Borrower to Secured Party (or an affiliate of Secured Party) under any interest rate swap transactions, interest rate cap and/or floor transactions, interest rate collar transactions, swap agreements (as defined in 11 U.S.C. § 561) or other similar transactions or agreements, including without limitation any ISDA Master Agreement executed by Debtor or Borrower and all Schedules and Confirmations entered into in connection therewith, hereinafter collectively referred to as a Hedge Agreement;
- (iii) the repayment of (a) any amounts that Secured Party may advance or spend for the maintenance or preservation of the Collateral, and (b) any other expenditures that Secured Party may make under the provisions of this Security Agreement or for the benefit of Debtor or Borrower;
- (iv) all amounts owed under any modifications, renewals, extensions or substitutions of any of the foregoing obligations;
- (v) all Default Costs, as defined in Paragraph VIII of this Security Agreement; and
- (vi) any of the foregoing that may arise after the filing of a petition by or against Debtor or Borrower under the Bankruptcy Code, even if the obligations do not accrue because of the automatic stay under Bankruptcy Code § 362 or otherwise.

1.3 UCC Any term used in the UCC and not otherwise defined in this Security Agreement has the meaning given to the term in the UCC.

II. GRANT OF SECURITY INTEREST.

Debtor grants a security interest in the Collateral to Secured Party to secure the payment and performance of the Obligations.

III. PERFECTION OF SECURITY INTERESTS.

3.1 Filing of Security Interests.

- (i) Debtor authorizes Secured Party to execute on the Debtor's behalf and file any financing statement (the "Financing Statement") describing the Collateral in any location deemed necessary and appropriate by Secured Party.
- (ii) Debtor authorizes Secured Party to file a Financing Statement describing any agricultural liens or other statutory liens held by Secured Party.
- (iii) Secured Party shall receive prior to the closing an official report from the Secretary of State of each Place of Business and the Debtor State, each as defined below, collectively (the "Filing Reports") indicating that Secured Party's security interest is prior to all other security interests or other interests reflected in the report.

3.2 Possession.

- (i) Debtor shall have possession of the Collateral, except where expressly otherwise provided in this Security Agreement or where Secured Party chooses to perfect its security interest by possession in addition to the filing of a Financing Statement.
- (ii) Where Collateral is in the possession of a third party, Debtor will join with Secured Party in notifying the third party of Secured Party's security interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Secured Party.

3.3 Control Agreements. Debtor will cooperate with Secured Party in obtaining a control agreement in form and substance satisfactory to Secured Party with respect to Collateral consisting of (check appropriate items):

- Deposit Accounts (for deposit accounts at other financial institutions);
- Investment Property for securities accounts, mutual funds and other uncertificated securities;
- Letter-of-credit rights; and/or
- Electronic chattel paper.

3.4 Marking of Chattel Paper. If Chattel Paper is part of the Collateral, Debtor will not create any Chattel Paper without placing a legend on the Chattel Paper acceptable to Secured Party indicating that Secured Party has a security interest in the Chattel Paper.

IV. POST-CLOSING COVENANTS AND RIGHTS CONCERNING THE COLLATERAL.

- 4.1 Inspection.** The parties to this Security Agreement may inspect any Collateral in the other party's possession, at any time upon reasonable notice.
- 4.2 Personal Property.** Except for items specifically identified by Debtor and Secured Party as Fixtures, the Collateral shall remain personal property at all times, and Debtor shall not affix any of the Collateral to any real property in any manner which would change its nature from that of personal property to real property or to a fixture.
- 4.3 Secured Party's Collection Rights.** Secured Party shall have the right at any time to enforce Debtor's rights against any account debtors and obligors.
- 4.4 Limitations on Obligations Concerning Maintenance of Collateral.**
 - (i) Risk of Loss. Debtor has the risk of loss of the Collateral.
 - (ii) No Collection Obligation. Secured Party has no duty to collect any income accruing on the Collateral or to preserve any rights relating to the Collateral.
- 4.5 No Disposition of Collateral.** Secured Party does not authorize, and Debtor agrees not to:
 - (i) make any sales or leases of any of the Collateral other than in the ordinary course of business;
 - (ii) license any of the Collateral; or
 - (iii) grant any other security interest in any of the Collateral.
- 4.6 Purchase Money Security Interests.** To the extent Debtor uses the Loan to purchase Collateral, Debtor's repayment of the Loan shall apply on a "first-in-first-out" basis so that the portion of the Loan used to purchase a particular item of Collateral shall be paid in the chronological order the Debtor purchased the Collateral.
- 4.7 Insurance.** Debtor shall obtain and keep in force such insurance on the Collateral as is normal and customary in the Debtor's business or as the Secured Party may require, all in such amounts, under such forms of policies, upon such terms, for such periods and written by such insurance companies as the Secured Party may approve. All policies of insurance will contain the long-form Lender's Loss Payable clause in favor of the Secured Party, and the Debtor shall deliver the policies or complete copies thereof to the Secured Party. Such policies shall be noncancellable except upon thirty (30) days' prior written notice to the Secured Party. The proceeds of all such insurance, if any loss should occur, may be applied by the Secured Party to the payment of the Obligations or to the replacement of any of the Collateral damaged or destroyed, as the Secured Party may elect or direct in its sole discretion. The Debtor hereby appoints (which appointment constitutes a power coupled with an interest and is irrevocable as long as any of the Obligations remain outstanding) Secured Party as its lawful attorney-in-fact with full authority to make, adjust, settle claims under and/or cancel such insurance and to endorse the Debtor's name on any instruments or drafts issued by or upon any insurance companies.

V. DEBTORS REPRESENTATIONS AND WARRANTIES.

Debtor represents and warrants to Secured Party:

- 5.1 Title to and transfer of Collateral.** It has rights in or the power to transfer the Collateral and its title to the Collateral is free of all adverse claims, liens, security interests and restrictions on transfer or pledge except as created by this Security Agreement.
- 5.2 Location of Collateral.** All collateral consisting of goods (equipment, inventory, fixtures, crops, unborn young of animals, timber to be cut, manufactured homes; and other tangible, movable personal property) is located solely in the following States (the "Collateral States"): SC
- 5.3 Location, State of Incorporation and Name of Debtor.** Debtor's:
 - (i) chief executive office (if Debtor has more than one place of business), place of business (if Debtor has one place of business), or principal residence (if Debtor is an individual), is located in the following State and address (the "Place of Business"): 1041 GATES ROAD
IRMO, SC 29063-0000
 - (ii) state of incorporation or organization is South Carolina (the "Debtor State");
 - (iii) exact legal name is as set forth in the first paragraph of this Security Agreement.

- 6.4 **Business or Agricultural Purpose.** None of the Obligations is a Consumer Transaction, as defined in the UCC and none of the Collateral has been or will be purchased or held primarily for personal, family or household purposes.

VI. DEBTORS COVENANTS.

Until the Obligations are paid in full, Debtor agrees that it will:

- 6.1 preserve its legal existence and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets;
- 6.2 not change the Debtor State of its registered organization;
- 6.3 not change its registered name without providing Secured Party with 30 days prior written notice; and
- 6.4 not change the state of its Place of Business or, if Debtor is an individual, change his state of residence without providing Secured Party with 30 days prior written notice.

VII. EVENTS OF DEFAULT.

The occurrence of any of the following shall, at the option of Secured Party, be an Event of Default:

- 7.1 Any default or Event of Default by Borrower or Debtor under the Note, Loan Agreement, Hedge Agreement or any of the other loan documents, and any Guaranty or any of the other Obligations;
- 7.2 Debtor's failure to comply with any of the provisions of, or the incorrectness of any representation or warranty contained in, this Security Agreement, the Note, the Loan Agreement, or in any other document relating to the Obligations;
- 7.3 Transfer or disposition of any of the Collateral, except as expressly permitted by this Security Agreement;
- 7.4 Attachment, execution or levy on any of the Collateral;
- 7.5 Debtor voluntarily or involuntarily becoming subject to any proceeding under (a) the Bankruptcy Code or (b) any similar remedy under state statutory or common law;
- 7.6 Debtor shall fail to comply with, or become subject to any administrative or judicial proceeding under any federal, state or local (a) hazardous waste or environmental law, (b) asset forfeiture or similar law which can result in the forfeiture of property, or (c) other law, where noncompliance may have any significant effect on the Collateral; or
- 7.7 Secured Party shall receive at any time following the closing a UCC filing report indicating that Secured Party's security interest is not prior to all other security interests or other interests reflected in the report.

VIII. DEFAULT COSTS.

- 8.1 Should an Event of Default occur, Debtor will pay to Secured Party all costs incurred by the Secured Party for the purpose of enforcing its rights hereunder, including:
- (i) costs of foreclosure;
 - (ii) costs of obtaining money damages; and
 - (iii) a reasonable fee for the service of attorneys employed by Secured Party for any purpose related to this Security Agreement or the Obligations, including without limitation consultation, drafting documents, sending notices or instituting, prosecuting or defending litigation or arbitration.

IX. REMEDIES UPON DEFAULT.

- 9.1 **General.** Upon any Event of Default, Secured Party may pursue any remedy available at law (including those available under the provisions of the UCC), or in equity to collect, enforce or satisfy any Obligations then owing, whether by acceleration or otherwise.
- 9.2 **Concurrent Remedies.** Upon any Event of Default, Secured Party shall have the right to pursue any of the following remedies separately, successively or concurrently:
- (i) File suit and obtain judgment and, in conjunction with any action, Secured Party may seek any ancillary remedies provided by law or in equity, including levy of attachment and garnishment.
 - (ii) Take possession of any Collateral if not already in its possession without demand and without legal process. Upon Secured Party's demand, Debtor will assemble and make the Collateral available to Secured Party as it directs. Debtor grants to Secured Party the right, for this purpose, to enter into or on any premises where Collateral may be located.
 - (iii) Without taking possession, sell, lease or otherwise dispose of the Collateral at public or private sale in accordance with the UCC.

X. FORECLOSURE PROCEDURES.

- 10.1 **No Waiver.** No delay or omission by Secured Party to exercise any right or remedy accruing upon any Event of Default shall (a) impair any right or remedy, (b) waive any default or operate as an acquiescence to the Event of Default, or (c) affect any subsequent default of the same or of a different nature.
- 10.2 **Notices.** Secured Party shall give Debtor such notice of any private or public sale as may be required by the UCC.
- 10.3 **Condition of Collateral.** Secured Party has no obligation to repair, clean-up or otherwise prepare the Collateral for sale.
- 10.4 **No Obligation to Pursue Others.** Secured Party has no obligation to attempt to satisfy the Obligations by collecting them from any other person liable for them and Secured Party may release, modify or waive any collateral provided by any other person to secure any of the Obligations, all without affecting Secured Party's rights against Debtor. Debtor waives any right it may have to require Secured Party to pursue any third person for any of the Obligations.
- 10.5 **Compliance With Other Laws.** Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.
- 10.6 **Warranties.** Secured Party may sell the Collateral without giving any warranties as to the Collateral and may specifically disclaim any warranties of title or the like. This procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.
- 10.7 **Sales on Credit.** If Secured Party sells any of the Collateral upon credit, Debtor will be credited only with payments actually made by the purchaser, received by Secured Party and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor shall be credited with the proceeds of the sale as and when received, less expenses.
- 10.8 **Purchases by Secured Party.** In the event Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting some or all of the Obligations of the Debtor.

- 10.9 No Marshalling. Secured Party have no obligation to marshal any assets in favor of Debtor, or against or in payment of:
- (i) the Note,
 - (ii) any of the other Obligations, or
 - (iii) any other obligation owed to Secured Party, Borrower or any other person.

XI. MISCELLANEOUS.

- 11.1 **Assignment.**
- (i) **Bind as Assignee.** This Security Agreement shall bind and shall inure to the benefit of the successors and assigns of Secured Party, and shall bind all heirs, personal representatives, executors, administrators, successors and permitted assigns of Debtor.
 - (ii) **No Assignments by Debtor.** Secured Party does not consent to any assignment by Debtor except as expressly provided in this Security Agreement.
 - (iii) **Secured Party Assignments.** Secured Party may assign its rights and interests under this Security Agreement. If an assignment is made, Debtor shall render performance under this Security Agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses or set-offs which Debtor could assert against Secured Party except defenses which cannot be waived.
- 11.2 **Severability.** Should any provision of this Security Agreement be found to be void, invalid or unenforceable by a court or panel of arbitrators of competent jurisdiction, that finding shall only affect the provisions found to be void, invalid or unenforceable and shall not affect the remaining provisions of this Security Agreement.
- 11.3 **Notices.** Any notices required by this Security Agreement shall be deemed to be delivered when a record has been (a) deposited in any United States postal box if postage is prepaid, and the notice properly addressed to the intended recipient, (b) received by telecopy, (c) received through the Internet, and (d) when personally delivered.
- 11.4 **Headings.** Section headings used in this Security Agreement are for convenience only. They are not a part of this Security Agreement and shall not be used in construing it.
- 11.5 **Governing Law.** This Security Agreement is being executed and delivered and is intended to be performed in the State of South Carolina and shall be construed and enforced in accordance with the laws of the State of South Carolina, except to the extent that the UCC provides for the application of the law of the Debtor State.
- 11.6 **Rules of Construction.**
- (i) No reference to "proceeds" in this Security Agreement authorizes any sale, transfer, or other disposition of the Collateral by the Debtor except in the ordinary course of business.
 - (ii) "Includes" and "including" are not limiting.
 - (iii) "Or" is not exclusive.
 - (iv) "All" includes "any" and "any" includes "all".
- 11.7 **Integration and Modifications.**
- (i) This Security Agreement is the entire agreement of the Debtor and Secured Party concerning its subject matter.
 - (ii) Any modification to this Security Agreement must be made in writing and signed by the party adversely affected.
- 11.8 **Waiver.** Any party to this Security Agreement may waive the enforcement of any provision to the extent the provision is for its benefit.
- 11.9 **Further Assurances.** Debtor agrees to execute any further documents, and to take any further actions, reasonably requested by Secured Party to evidence or perfect the security interest granted herein or to effectuate the rights granted to Secured Party herein.
- 11.10 **WAIVER OF TRIAL BY JURY.** UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS SECURITY AGREEMENT OR ANY LOAN DOCUMENT EXECUTED IN CONNECTION HERewith OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND SECURED PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR SECURED PARTY TO MAKE THE LOAN TO DEBTOR OR BORROWER. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF SECURED PARTY, NOR SECURED PARTY'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SECURED PARTY WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION, NO REPRESENTATIVE OR AGENT OF SECURED PARTY, NOR SECURED PARTY'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

SIGNATURES ON THE FOLLOWING PAGE

The parties have signed this Security Agreement under seal as of the day and year first above written.

If Debtor is a Corporation:

WITNESS:

NAME OF CORPORATION


By: _____ (SEAL)
Title: _____



By: _____ (SEAL)
Title: _____

If Debtor is a Partnership, Limited Liability Company, or Limited Liability Partnership:

WITNESS:

GRAPHIC EXPRESS LLC
NAME OF PARTNERSHIP, LLC, OR LLP



By:  (SEAL)
Title:  Member

By: _____ (SEAL)
Title: _____

By: _____ (SEAL)
Title: _____

If Debtor is an individual:

WITNESS:

TYPE NAME OF DEBTOR

TYPE NAME OF DEBTOR (SEAL)

TYPE NAME OF DEBTOR (SEAL)

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC and LANNY
R. GUNTER II, HARRY B.
BENENHALEY,

Defendants.

IN THE COURT OF COMMON PLEAS

CASE NO.: 2012-CP-40- 0249

AFFIDAVIT OF ACCOUNT

I, Elliott Rethmeier, being first duly sworn, depose and say as follows:

1. That I am an agent and employee of Branch Banking and Trust Company, (hereinafter "BB&T"), Plaintiff herein, a lending institution doing business under the laws of the State of South Carolina, and am familiar with the books and records of said company, in that the books and records are kept under my supervision and control;

2. That Graphic Express, LLC, Lanny R. Gunter II, and Harry B. Benenhaley entered into an agreement with BB&T as fully set forth in the Complaint;

3. That there is now due the sum of \$50,263.06 owed by the Defendants to BB&T for default under the agreement, plus late charges, interest and attorneys fees; and

4. That no part of this debt has been paid or satisfied, and that there are no offsets other than set forth herein or valid counterclaims against this debt to my knowledge or belief;

I, Elliott Rethmeier, hereby authorize, our attorneys CLAWSON AND STAUBES, LLC, to testify on behalf of BB&T to present to the Court the above facts and to request a judgment against the Defendants in favor of BB&T.

This the 4 day of January, 2012.

Name: Elliott Rethmeier
Print Name: Elliott Rethmeier
Its: Authorized Representative

Sworn to before me this 4
day of January, 2012.

Yvonne Beck
Notary Public for South Carolina
My Commission Expires: 1/15/2013

YVONNE BECK
NOTARY PUBLIC
SURRY COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES JANUARY 15, 2013



ROA0027

The undersigned hereby agrees to execute and deliver to Bank any security agreement, deed of trust, mortgage, UCC financing statement, or other document required by the Bank in order to protect its security interest or lien in the Collateral. This document shall constitute a security agreement under the Uniform Commercial Code of South Carolina ("Code"), and in addition to having all other legal rights and remedies, the Bank shall have all rights and remedies of a secured party under the Code.

This agreement shall inure to the benefit of Bank, its successors and assigns, and the owners and holders of any of the indebtedness, obligations and liabilities hereby guaranteed, and shall remain in force until a written notice revoking it has been received by Bank; but such revocation shall not release the undersigned from liability to Bank, its successors and assigns, or the owners and holders of any of the indebtedness, obligations and liabilities hereby guaranteed, for any indebtedness, obligation or liability of the Borrower which is hereby guaranteed and then in existence or from any renewals, extensions or modifications thereof in whole or in part, whether such renewals, extensions or modifications are made before or after such revocation, with or without notice to the undersigned. The undersigned waives presentment, demand, protest and notices of every kind and assents to any one or more extensions, modifications, renewals or postponements of the time or amount of payment or any other indulgences given to Borrower. The undersigned shall be responsible for and shall reimburse the Bank for all costs and expenses incurred by the Bank in connection with the enforcement of this Guaranty or the protection or preservation of any right or claim of the Bank in connection herewith, including without limitation costs and expenses incurred by the Bank in connection with its attempts to collect the indebtedness, obligations, and liabilities guaranteed hereby. Cost and expenses shall include reasonable attorneys' fees which the undersigned agrees shall be equal to 15% of the principal and interest outstanding at the time of action by Lender described above, unless the actual attorney's fees incurred, based upon Bank's counsel's normal hourly fees chargeable to Bank, shall be greater than 15% of principal and interest in which case such billed amount based on such hourly rate shall be the attorneys' fee payable hereunder."

If the Borrower is a corporation, this instrument covers all indebtedness, obligations and liabilities to Bank purporting to be made or undertaken on behalf of such corporation by any such officer or agent of said corporation without regard to the actual authority of such officer or agent. The term "corporation" shall include associations of all kinds and all purported corporations, whether correctly and legally chartered and organized.

The undersigned warrants, and represents to the Bank that: (i) this Guaranty is its legally binding obligation, enforceable against the undersigned in accordance with its terms; (ii) the execution and delivery of this Guaranty does not violate or constitute a breach of any agreement to which the undersigned is a party; (iii) that there is no litigation, claim, action or proceeding pending or, to the best knowledge of the undersigned, threatened against the undersigned which would materially adversely affect the financial condition of the undersigned or his/her ability to fulfill his/her obligations hereunder; (iv) that the undersigned has knowledge of the Borrower's financial condition and affairs; and (v) unless otherwise required in a Loan Agreement, if applicable, as long as any Obligations remain outstanding or as long as Bank remains obligated to make advances, the undersigned shall furnish annually an updated financial statement in a form satisfactory to Bank, which, when delivered shall be the property of Bank.

This Guaranty is made in and shall be construed in accordance with the laws and judicial decisions of the State of South Carolina. The undersigned agrees that any dispute arising out of this Guaranty shall be adjudicated in either the state or federal courts of South Carolina and in no other forum. For that purpose, the undersigned hereby submits to the jurisdiction of the state and/or federal courts of South Carolina. The undersigned waives any defense that venue is not proper for any action brought in any federal or state court in the State of South Carolina.

WAIVER OF TRIAL BY JURY. UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS GUARANTY OR THE BORROWER'S NOTE(S), AND THE RELATED LOAN DOCUMENTS EXECUTED IN CONNECTION HERewith OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND THE BANK OR THE BORROWER AND THE BANK. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BANK TO ACCEPT THIS GUARANTY AND TO MAKE THE LOAN(S) TO THE BORROWER. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BANK WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

SIGNATURES ON FOLLOWING PAGE

Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgement is taken or asked may within thirty days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. **TO THE FULLEST EXTENT PERMITTED BY LAW AND AS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN, GUARANTOR HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.**

Witness the signature and seal of each of the undersigned.

If Guarantor is a Corporation:

WITNESS:

NAME OF CORPORATION
By: _____ (SEAL)
Title: _____

By: _____ (SEAL)
Title: _____

If Guarantor is a Partnership, Limited Liability Company, or Limited Liability Partnership :

WITNESS:

NAME OF PARTNERSHIP, LLC, OR LLP
By: _____ (SEAL)
Title: _____

By: _____ (SEAL)
Title: _____

By: _____ (SEAL)
Title: _____

If Guarantor is an Individual:

WITNESS:

LANNY R. GUNTER II (SEAL)

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, a South Carolina corporation, by _____, its _____, sign, seal and as its act and deed, deliver the within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness that witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ . _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, a South Carolina general partnership, by _____, its general partner, sign, seal and as its act and deed, deliver the within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ . _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw _____, a South Carolina limited liability company / limited partnership that by _____, its member or manager / general partner, sign, seal and as its act and deed, and deliver the foregoing within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ . _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, sign, seal and as his/her act and deed, deliver the within-written instrument for the uses and purposes therein mentioned, and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ . _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

The undersigned hereby agrees to execute and deliver to Bank any security agreement, deed of trust, mortgage, UCC financing statement, or other document required by the Bank in order to protect its security interest or lien in the Collateral. This document shall constitute a security agreement under the Uniform Commercial Code of South Carolina ("Code"), and in addition to having all other legal rights and remedies, the Bank shall have all rights and remedies of a secured party under the Code.

This agreement shall inure to the benefit of Bank, its successors and assigns, and the owners and holders of any of the indebtedness, obligations and liabilities hereby guaranteed, and shall remain in force until a written notice revoking it has been received by Bank; but such revocation shall not release the undersigned from liability to Bank, its successors and assigns, or the owners and holders of any of the indebtedness, obligations and liabilities hereby guaranteed, for any indebtedness, obligation or liability of the Borrower which is hereby guaranteed and then in existence or from any renewals, extensions or modifications thereof in whole or in part, whether such renewals, extensions or modifications are made before or after such revocation, with or without notice to the undersigned. The undersigned waives presentment, demand, protest and notices of every kind and assents to any one or more extensions, modifications, renewals or postponements of the time or amount of payment or any other indulgences given to Borrower. The undersigned shall be responsible for and shall reimburse the Bank for all costs and expenses incurred by the Bank in connection with the enforcement of this Guaranty or the protection or preservation of any right or claim of the Bank in connection herewith, including without limitation costs and expenses incurred by the Bank in connection with its attempts to collect the indebtedness, obligations, and liabilities guaranteed hereby. Cost and expenses shall include reasonable attorneys' fees which the undersigned agrees shall be equal to 15% of the principal and interest outstanding at the time of action by Lender described above, unless the actual attorney fees incurred, based upon Bank's counsel's normal hourly fees chargeable to Bank, shall be greater than 15% of principal and interest in which case such billed amount based on such hourly rate shall be the attorneys' fee payable hereunder."

If the Borrower is a corporation, this instrument covers all indebtedness, obligations and liabilities to Bank purporting to be made or undertaken on behalf of such corporation by any such officer or agent of said corporation without regard to the actual authority of such officer or agent. The term "corporation" shall include associations of all kinds and all purported corporations, whether correctly and legally chartered and organized.

The undersigned warrants, and represents to the Bank that: (i) this Guaranty is its legally binding obligation, enforceable against the undersigned in accordance with its terms; (ii) the execution and delivery of this Guaranty does not violate or constitute a breach of any agreement to which the undersigned is a party; (iii) that there is no litigation, claim, action or proceeding pending or, to the best knowledge of the undersigned, threatened against the undersigned which would materially adversely affect the financial condition of the undersigned or his/her ability to fulfill his/her obligations hereunder; (iv) that the undersigned has knowledge of the Borrower's financial condition and affairs; and (v) unless otherwise required in a Loan Agreement, if applicable, as long as any Obligations remain outstanding or as long as Bank remains obligated to make advances, the undersigned shall furnish annually an updated financial statement in a form satisfactory to Bank, which, when delivered shall be the property of Bank.

This Guaranty is made in and shall be construed in accordance with the laws and judicial decisions of the State of South Carolina. The undersigned agrees that any dispute arising out of this Guaranty shall be adjudicated in either the state or federal courts of South Carolina and in no other forum. For that purpose, the undersigned hereby submits to the jurisdiction of the state and/or federal courts of South Carolina. The undersigned waives any defense that venue is not proper for any action brought in any federal or state court in the State of South Carolina.

WAIVER OF TRIAL BY JURY. UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS GUARANTY OR THE BORROWER'S NOTE(S), AND THE RELATED LOAN DOCUMENTS EXECUTED IN CONNECTION HERewith OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND THE BANK OR THE BORROWER AND THE BANK. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BANK TO ACCEPT THIS GUARANTY AND TO MAKE THE LOAN(S) TO THE BORROWER. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BANK WOULD NOT SEEK TO ENFORCE THIS WAIVER OR RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.

SIGNATURES ON FOLLOWING PAGE

Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgement is taken or asked may within thirty days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. **TO THE FULLEST EXTENT PERMITTED BY LAW AND AS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN, GUARANTOR HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.**

Witness the signature and seal of each of the undersigned.

If Guarantor is a Corporation:

WITNESS:

NAME OF CORPORATION

By: _____ (SEAL)
Title: _____
By: _____ (SEAL)
Title: _____

If Guarantor is a Partnership, Limited Liability Company, or Limited Liability Partnership :

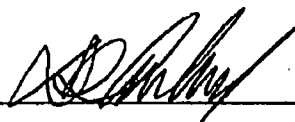
WITNESS:


NAME OF PARTNERSHIP, LLC, OR LLP

By: _____ (SEAL)
Title: _____
By: _____ (SEAL)
Title: _____
By: _____ (SEAL)
Title: _____

If Guarantor is an Individual:

WITNESS:

_____  _____

_____  (SEAL)
HARRY B BENENHALSY

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, a South Carolina corporation, by _____, its _____, sign, seal and as its act and deed, deliver the within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness that witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, a South Carolina general partnership, by _____, its general partner, sign, seal and as its act and deed, deliver the within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw _____, a South Carolina limited liability company / limited partnership that by _____, its member or manager / general partner, sign, seal and as its act and deed, and deliver the foregoing within-written instrument for the uses and purposes therein mentioned and that s/he together with the other witness witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA
COUNTY OF _____

PROBATE

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the within-named _____, sign, seal and as his/her act and deed, deliver the within-written instrument for the uses and purposes therein mentioned, and that s/he together with the other witness whose signature appears above, witnessed the execution thereof.

SWORN TO and subscribed before me this _____ day of _____, _____ Witness

(SEAL)

Notary Public for South Carolina

My commission expires: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

Branch Banking and Trust Company,)
)
Plaintiff,)

C/A #2012-CP-40-0249

vs.)

ANSWER

Graphic Express, LLC, Lanny R. Gunter, II,)
And Harry B. Benenhaley,)
)
Defendants.)

2012 MAR -1 AM 11:56
JEANETTE A. MERIDON
C.C.P. & G.S.
RICHLAND COUNTY
FILED

The Defendants above-named Answer the Complaint of the Plaintiff herein as follows:

1. The Defendants hereby deny each and every allegation set forth in the Complaint except for those allegations hereinafter specifically admitted, qualified or explained.
2. The material allegations of the Complaint are denied.

WHEREFORE, having fully Answered the Complaint of the Plaintiff herein, the Defendants pray that the Complaint be dismissed with costs; and for such other and further relief as this Court might deem just and proper.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

S. Jahue Moore
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160

Attorneys for Defendants

West Columbia, South Carolina
February 29, 2012

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

AFFIDAVIT OF SERVICE

PERSONALLY appeared before me Tammy E. Black who, on oath, says that she is an assistant to S. Jahue Moore, the Attorney for the Defendants in this action; and that she has this day, pursuant to his instructions, effected service of the ANSWER upon the Attorney for the Plaintiff, by placing a copy of said ANSWER in an envelope in the United States mail, postage paid, addressed as follows:

J. Ronald Jones, Jr., Esquire
CLAWSON AND STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144

FILED
RICHMOND COUNTY
2012 MAR -1 AM 11:56
LEANN J. THURMURIDE
C.P. & G.S.



Tammy E. Black

SWORN to before me this 29th
day of February, 2012.
Gabriel Allen (SEAL)
Notary Public for South Carolina
My Commission Expires: 10/3/21

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)
)
BRANCH BANKING AND TRUST)
COMPANY,)
)
)
Plaintiff,)
)
vs.)
)
GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)
)
)
Defendants.)
_____)

IN THE COURT OF COMMON PLEAS
CASE NO.: 2012-CP-40-0249

PLAINTIFF'S INTERROGATORIES

TO: S. JAHUE MOORE, ESQUIRE, ATTORNEY FOR THE DEFENDANTS:

PURSUANT to Rule 33 of the South Carolina Rules of Civil Procedure, Plaintiff, Branch Banking and Trust Company ("BB&T"), requests Defendant to answer under oath all of the following Interrogatories not objected to within the time allowable:

These Interrogatories are continuing in character and require the filing of supplementary answers in accordance with Rule 26(e) of the South Carolina Rules of Civil Procedure, if before trial the party to whom these Interrogatories are directed obtains further or different information after the initial answer. Supplementary answers should include the date upon and manner in which such further or different information came to the attention of the answering party.

1. Give the names and addresses of persons known to the parties or their Counsel to be witnesses concerning the facts of the case and indicate whether or not written or recorded statements have been taken from the witnesses and indicate who has possession of such statements.

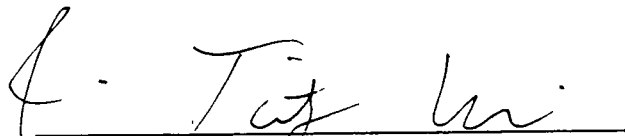
2. For each person known to the parties or counsel to be a witness concerning the facts of the case, set forth either a summary sufficient to inform the other party of the important facts known to or observed by such witness, or provide a copy of any written or recorded statements taken from such witnesses.

3. Set forth a list of photographs, plats, sketches, letters, emails, loan documents, payment stubs, checks, statements, or other prepared documents in possession of the parties that relate to the claim, counterclaim, or any defenses in the case.

4. List the names and addresses of any expert witnesses whom the party proposes to use as a witness at the trial of the case.

5. State with particularity the facts and list any documents which you contend give rise to or support any other counterclaims and /or defenses claimed and alleged by Defendants.

CLAWSON & STAUBES, LLC



R. Timothy Whisler
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492
(843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina
March 26, 2012

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)
)
BRANCH BANKING AND TRUST)
COMPANY,)
)
)
Plaintiff,)
)
vs.)
)
GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)
)
)
Defendants.)

IN THE COURT OF COMMON PLEAS
CASE NO.: 2012-CP-40-0249

**PLAINTIFF'S REQUEST
FOR PRODUCTION**

TO: S. JAHUE MOORE, ESQUIRE, ATTORNEY FOR THE DEFENDANTS:

The Plaintiff, Branch Banking and Trust Company ("BB&T"), by its undersigned counsel, request that Defendants, pursuant to Rule 34 of the SCRCF, provide to Plaintiff within thirty (30) days of the date of this request, the requested documents:

1. Copies of any and all statements given by the plaintiff and/or defendant which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.
2. Copies of any and all statements given by other witnesses whose testimony is expected to be presented, either live or by deposition at trial, to the incidents and matters complained of herein which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.
3. Copies of any and all written reports by consultants or experts of the Defendants or Defendants' attorney or other consultants and/or experts relating to the Defendants' claims, and/or any other expert witnesses retained for use at trial or identified as witnesses

at trial in Defendants' responses to any Interrogatories.

4. Copies of any and all statements, memoranda, reports, letters, emails, loan documents, payment stubs, checks, other prepared documents or other materials which in any other way might relate to the Defendants' claim or defense, herein which are within the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.

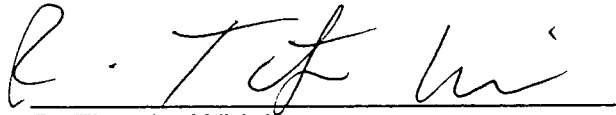
5. To permit the Plaintiff to inspect, to photograph and otherwise copy any and all documents, charts, or accountings which the Defendants or Defendants' attorney may have which relate to the matters alleged herein, to include negatives of such photographs.

6. Any documents (as defined in SCRCF 34(a)), and tangible things of whatever nature and description which you intend to introduce into evidence or to use as impeachment or evidence at trial of this case.

7. Any documents identified or listed by Defendants in response to Plaintiff's Interrogatories.

It is requested that the production of the foregoing documents and things be made on the thirtieth (30th) day of following service of this request to produce at the office of Clawson & Staubes, LLC, 126 Seven Farms Drive, Suite 200, Charleston, South Carolina 29492.

CLAWSON & STAUBES, LLC

A handwritten signature in cursive script, appearing to read "R. Timothy Whisler", is written over a horizontal line.

R. Timothy Whisler
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492
(843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina
March 26, 2012

ROA0042

Requests for Admissions

1. That on or about October 19, 2009, for value received, the Defendant, Graphic Express, LLC, executed and delivered to BB&T, a Promissory Note and Security Agreement (the "Note").

_____ ADMIT _____ DENY

2. That under the terms of the Note, the Defendant promised to pay the Plaintiff the sum of \$82,000.00 Dollars, plus interest.

_____ ADMIT _____ DENY

3. That the Defendant is presently in default under the terms of the Note.

_____ ADMIT _____ DENY

4. That according to the terms and conditions of the Note it is provided that in the event of default in the payment of any installment when due, the entire principal and accrued interest shall at once become due and payable after appropriate notice, at the option of the holders.

_____ ADMIT _____ DENY

5. That the Defendants, Lanny R. Gunter, II and Harry B. Benenhaley, executed agreements personally guaranteeing payment of all obligations of Graphic Express, LLC plus costs, fees and any other obligations due Plaintiff under the Note.

_____ ADMIT _____ DENY

6. That the Defendants are liable for the full amount due under the Note.

_____ ADMIT _____ DENY

7. That the Plaintiff has made demand upon the Defendants for payment under the terms of the Note.

_____ ADMIT _____ DENY

8. The Defendants have failed to pay the amounts due the Plaintiff pursuant to the Note.

_____ ADMIT _____ DENY

9. That the Plaintiff, according to the terms of the Note is entitled to attorneys fees for its attorneys, together with the costs and disbursements of this action as provided for in the Note.

_____ ADMIT _____ DENY


10. That the Plaintiff has made the Defendants aware of their intention to collect attorney's fees and costs as provided for in the Note.

_____ ADMIT _____ DENY

11. You have heretofore received originals or copies of the Exhibits (in some form), attached to the Complaint, incorporated herein by reference, served on the Defendants in this action.

_____ ADMIT _____ DENY

CLAWSON & STAUBES, LLC



R. Timothy Whisler
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492
(843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina
March 26, 2012

ROA0045

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

Branch Banking and Trust Company,)
)
Plaintiff,)

C.A. No.: 2012-CP-40-0249

vs.)

**DEFENDANTS' ANSWERS TO
INTERROGATORIES**

Graphic Express, LLC; Lanny R. Gunter, II;)
and Harry B. Benenhaley,)
)
Defendants.)

1. Give the names and addresses of persons known to the parties or their Counsel to be witnesses concerning the facts of the case and indicate whether or not written or recorded statements have been taken from the witnesses and indicate who has possession of such statements.

(a) Lanny Gunter
1115 Mt. Vernon Church Road
Chapin, SC 29036
No statement taken.

(b) Harry B. Benenhaley
407 Brandywine Drive
Columbia, SC 29212
No statement taken.

(c) William C. Copeland
206 Valley Vine Court
Irmo, SC 29063
No statement taken.

2. For each person known to the parties or counsel to be a witness concerning the facts of the case, set forth either a summary sufficient to inform the other party of the important facts known to or observed by such witness, or provide a copy of any written or recorded statements taken from such witnesses.

Witnesses 1(a) and (b) are the individual Defendants in this case. They will testify with regard to their dealings with the Plaintiff, the various loans with Plaintiff, representations made

by Plaintiff's agents, and Plaintiff's breach of the contract between the parties.

Witness 1(c) will testify as to the day-to-day operations of the corporate Defendant.

3. **Set forth a list of photographs, plats, sketches, letters, emails, loan documents, payment stubs, checks, statements, or other prepared documents in possession of the parties that relate to the claim, counterclaim, or any defenses in the case.**

None.

4. **List the names and addresses of any expert witnesses whom the party proposes to use as a witness at the trial of the case.**

Defendants have not retained the services of an expert witness at this time but reserves the right to do so in the future.

5. **State with particularity the facts and list any documents which you contend give rise to or support any other counterclaims and/or defenses claimed and alleged by Defendants.**

Defendants object to this interrogatory on the grounds that it is overly broad and could be construed in such a way as to seek production of documents and/or matters protected from discovery as attorney work product. Further, as discovery is ongoing, this request is premature. Defendants reserve the right to supplement this response as discovery progresses in this matter.

COUNSEL FOR THE DEFENDANTS RESERVES THE RIGHT TO SUPPLEMENT THESE RESPONSES UPON FURTHER DISCOVERY.

MOORE, TAYLOR & THOMAS, P.A.

BY: 

S. Jahue Moore
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEYS FOR DEFENDANTS

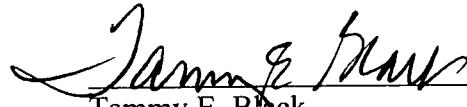
West Columbia, South Carolina
August 1, 2012

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

AFFIDAVIT OF SERVICE BY MAIL

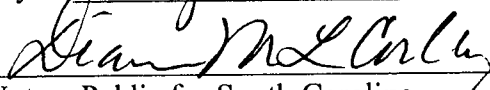
PERSONALLY appeared before me Tammy E. Black who, on oath, says she is an assistant to S. Jahue Moore, the attorney for the Defendants in this action; and that she has this day, pursuant to his instructions, effected service of the **DEFENDANT'S ANSWERS TO INTERROGATORIES** upon the attorney for the Plaintiff, by placing a copy of said **DEFENDANT'S ANSWERS TO INTERROGATORIES** in an envelope in the United States Mail, with sufficient postage affixed thereto, addressed as follows:

R. Timothy Whisler, Esquire
CLAWSON & STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492



Tammy E. Black

SWORN to before me this 1st
day of August, 2012.

 (SEAL)
Notary Public for South Carolina
My Commission Expires: 3-31-2018

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

Branch Banking and Trust Company,)
)
Plaintiff,)

C.A. No.: 2012-CP-40-0249

vs.)

**DEFENDANTS' RESPONSE TO
REQUEST FOR PRODUCTION**

Graphic Express, LLC; Lanny R. Gunter, II;)
and Harry B. Benenhaley,)
)
Defendants.)

1. **Copies of any and all statements given by the plaintiff and/or defendant which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.**

None.

2. **Copies of any and all statements given by other witnesses whose testimony is expected to be presented, either live or by deposition at trial, to the incidents and matters complained of herein which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.**

None.

3. **Copies of any and all written reports by consultants or experts of the Defendants or Defendants' attorney or other consultants and/or experts relating to the Defendants' claims, and/or any other expert witnesses retained for use at trial or identified as witnesses at trial in Defendants' responses to any Interrogatories.**

None.

4. **Copies of any and all statements, memoranda, reports, letters, emails, loan documents, payment stubs, checks, other prepared documents or other materials which in any other way might relate to the Defendants' claim or defense, herein which are within the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.**

None.

5. **To permit the Plaintiff to inspect, to photograph and otherwise copy any and all documents, charts, or accountings which the Defendants or Defendants' attorney**

may have which relate to the matters alleged herein, to include negatives of such photographs.

As discovery is ongoing, Defendants have no specific documents, charts or accountings at this time. Defendants reserve the right to supplement this response as discovery progresses in this matter.

- 6. Any documents (as defined in SCRCP 34(a)), and tangible things of whatever nature and description which you intend to introduce into evidence or to use as impeachment or evidence at trial of this case.**

Defendants object to this request on the grounds of work product. Subject to this objection, Defendants have not made any determination of what they intend to introduce into evidence at trial. Defendants reserve the right to supplement this response as discovery progresses in this matter.

- 7. Any documents identified or listed by Defendants in response to Plaintiff's Interrogatories.**

None.

COUNSEL FOR THE DEFENDANTS RESERVES THE RIGHT TO SUPPLEMENT THESE RESPONSES UPON FURTHER DISCOVERY.

MOORE, TAYLOR & THOMAS, P.A.

BY:  _____

S. Jahue Moore
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEYS FOR DEFENDANTS

West Columbia, South Carolina
August 1, 2012

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

AFFIDAVIT OF SERVICE BY MAIL

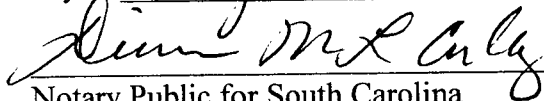
PERSONALLY appeared before me Tammy E. Black who, on oath, says she is an assistant to S. Jahue Moore, the attorney for the Defendants in this action; and that she has this day, pursuant to his instructions, effected service of the **DEFENDANTS' RESPONSE TO REQUEST FOR PRODUCTION** upon the attorney for the Plaintiff, by placing a copy of said **DEFENDANTS' RESPONSE TO REQUEST FOR PRODUCTION** in an envelope in the United States Mail, with sufficient postage affixed thereto, addressed as follows:

R. Timothy Whisler, Esquire
CLAWSON & STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492



Tammy E. Black

SWORN to before me this 1st
day of August, 2012.

 (SEAL)
Notary Public for South Carolina
My Commission Expires: 3-31-2018

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

Branch Banking and Trust Company,)
)
Plaintiff,)

C.A. No.: 2012-CP-40-0249

vs.)

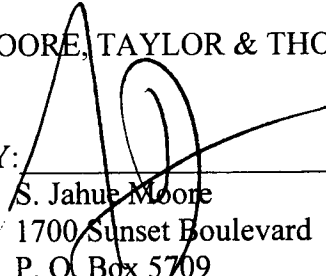
**DEFENDANTS' RESPONSE TO
REQUEST FOR ADMISSIONS**

Graphic Express, LLC; Lanny R. Gunter, II;)
and Harry B. Benenhaley,)
)
Defendants.)

1. Denied.
2. Denied.
3. Denied.
4. Denied.
5. Denied.
6. Denied.
7. Denied.
8. Denied.
9. Denied.
10. Denied.
11. Denied.

MOORE, TAYLOR & THOMAS, P.A.

BY: _____


S. Jahue Moore
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171
(803) 796-9160

ATTORNEY FOR THE DEFENDANTS

West Columbia, South Carolina
April 13, 2012

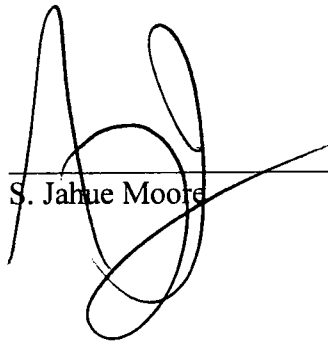
ROA0053

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

AFFIDAVIT OF SERVICE BY MAIL

PERSONALLY appeared before me S. Jahue Moore who, on oath, says that he is an Attorney for the Defendants in this action; and that he has this day effected service of the **DEFENDANTS' RESPONSE TO REQUEST FOR ADMISSIONS** upon the Attorney for the Plaintiff, by placing a copy of said **DEFENDANTS' RESPONSE TO REQUEST FOR ADMISSIONS** in an envelope in the United States Mail, with sufficient postage affixed thereto, addressed as follows:

R. Timothy Whisler, Esquire
CLAWSON & STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29462



S. Jahue Moore

SWORN to before me this _____
day of _____, 2012.

_____(SEAL)
Notary Public for South Carolina
My Commission Expires: _____

STATE OF SOUTH CAROLINA
 COUNTY OF RICHLAND
 BRANCH BANKING AND TRUST COMPANY,
 Plaintiff(s)

vs.

GRAPHIC EXPRESS, LLC, et al.,
 Defendant(s)

IN THE COURT OF COMMON PLEAS

CASE NO. 2012-CP-40-0249

**MOTION AND ORDER INFORMATION
 FORM AND COVER SHEET**

Plaintiff's Attorney: R. Timothy Whisler Bar No. 0077197 Address: CLAWSON AND STAUBES, LLC 126 Seven Farms Drive, Suite 200 Charleston, SC 29492-7595 Phone: (843) 577-2026 Fax: (843) 722-2867 email: twhisler@clawsonandstaubes.com Other:	Defendant's Attorney: S. Jahue Moore Bar No. Address: 1700 Sunset Boulevard P. O. Box 5709 West Columbia, SC 29171 Phone: (803) 796-9160 Fax: email: Other:
--	---

- MOTION HEARING REQUESTED (Attach written motion and complete SECTIONS I and III)
 FORM MOTION, NO HEARING REQUESTED (complete SECTIONS II and III)
 PROPOSED ORDER/CONSENT ORDER (complete SECTIONS II and III)

SECTION I: Hearing Information

Nature of Motion:

Estimated Time Needed:

Court Reporter Needed: YES NO

SECTION II: Motion/Order Type

- Written motion attached
 Form Motion/Order

I hereby move for relief or action by the court as set forth in the attached proposed order.

R. Timothy Whisler
 Signature of Attorney for Plaintiff / Defendant

5.15.12
 Date Submitted

SECTION III: Motion Fee

PAID - AMOUNT: \$25.00

- EXEMPT: (Check Reason)
- Rule to Show Cause in Child or Spousal Support
 - Domestic Abuse or Abuse and Neglect
 - Indigent Status State Agency v. Indigent Party
 - Sexually Violent Predator Act Post-Conviction Relief
 - Motion for Stay in Bankruptcy
 - Motion for Publication Motion for Execution (Rule 69, SCRCP)
 - Proposed order submitted at request of the court; or reduced to writing from motion made in open court per judge's instructions
 Name of Court Reporter: _____
 - Other

JUDGE'S SECTION

- Motion Fee to be paid upon filing of the attached order.
 Other:

JUDGE _____

CODE: _____

Date: _____

CLERK'S VERIFICATION

Collected by: _____
 (Print Name)

DATE FILED:

- MOTION FEE COLLECTED: _____
 CONTESTED - AMOUNT DUE: _____

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

BRANCH BANKING AND TRUST)
COMPANY,)

Plaintiff,)

vs.)

GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)

Defendants.)

IN THE COURT OF COMMON PLEAS

CASE NO.: 2012-CP-40-0249

**PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT**

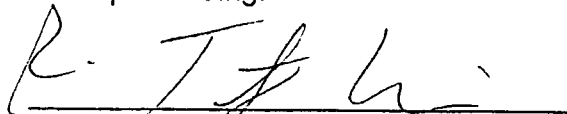
TO: S. JAHUE MOORE, ATTORNEY FOR DEFENDANTS:

PLEASE TAKE NOTICE that the Plaintiff, Branch Banking and Trust Company, through its undersigned attorneys, will move before the presiding Judge for the Ninth Judicial Circuit, Richland County, at 10:00 a.m. on the tenth (10th) day after service hereof, or at such other time and place as is convenient to the Court and counsel, as follows:

That the Plaintiff be granted Summary Judgment, pursuant to Rule 56 of the South Carolina Rules of Civil Procedure, as to the within action, for the reason that there is no material issue of fact which would entitle the Defendants to a recovery against the Plaintiff.

That if Summary Judgment is not granted, the Plaintiff requests that the Court determine what issues of material fact must be determined by the trial of this action.

Plaintiff's Motion for Summary Judgment is based upon the pleadings, exhibits, discovery responses and affidavits filed in this proceeding.



R. Timothy Whisler
CLAWSON AND STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144
Telephone (843) 577-2026

Attorneys for Plaintiff

Charleston, South Carolina

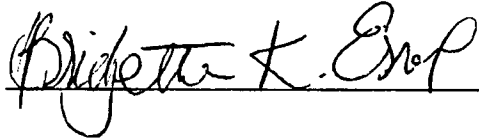
May 15, 2012

ROA0056

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing pleading(s) has been served upon opposing counsel on the 10th day of May, 2012 via:

<input checked="" type="checkbox"/>	United States Postal Service
<input type="checkbox"/>	Facsimile
<input type="checkbox"/>	Electronic Email



STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)
)
BRANCH BANKING AND TRUST)
COMPANY,)
)
Plaintiff,)
)
vs.)
)
GRAPHIC EXPRESS, LLC, LANNY R.)
GUNTER II, and HARRY B.)
BENENHALEY,)
)
Defendants.)

IN THE COURT OF COMMON PLEAS
C.A. NO.: 2012-CP-40-0249

**MEMORANDUM IN SUPPORT OF
PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT**

This matter is before the Court on a Motion for Summary Judgment filed by the plaintiff, Branch Banking and Trust Company ("Plaintiff"). Plaintiff moves this Court to grant summary judgment in its favor pursuant to Rule 56 of the South Carolina Rules of Civil Procedure on the grounds that there is no issue of material fact and Plaintiff is entitled to judgment in its favor as a matter of law.

FACTS AND PROCEDURAL BACKGROUND

On or about October 19, 2009, Plaintiff provided credit to the Defendant, Graphic Express, LLC, pursuant to a Promissory Note and Security Agreement ("Note"), wherein Graphic Express, LLC promised to pay \$82,000.00, plus interest, as set forth more fully in the Complaint.

In order to induce Plaintiff to enter into the Note with Defendant Graphic Express, LLC, Defendants Lanny R. Gunter II and Harry B. Benenhaley executed an agreement personally guaranteeing payment of all obligations of Graphic Express, LLC, plus costs, fees, and any other obligations due to Plaintiff under the Contract. Pursuant to the terms of the Guaranty Agreement, Defendants Lanny R. Gunter II and Harry B. Benenhaley are

liable for the full amount due under the Note.

Defendant Graphic Express, LLC failed to make monthly payments when due and is in default pursuant to the terms of the Note. As of November 23, 2011, the outstanding past due balance is in the amount of Fifty Thousand Two Hundred Sixty Three and 06/100 Dollars (\$50,263.06), plus interest subsequently accruing at a per diem rate of \$11.01, plus attorneys' fees and costs. Plaintiff has made demand upon Defendants for the sums due and after such demand, Defendants have failed to cure the default. Plaintiff is entitled to judgment for the collection of amounts due to it under the Note.

On January 11, 2012, Plaintiff served Defendants with a Summons and a Verified Complaint. Subsequently on February 29, 2012, Defendants filed a one-page Answer to the Complaint, in which Defendants generally denied all allegations of the Complaint. Defendants neither raised any affirmative defenses nor made any counterclaims against Plaintiff. On March 27, 2012, Plaintiff served Interrogatories, Requests for Production of Documents, and Requests for Admissions on Defendants' counsel. Discovery was sent by Plaintiff in attempt to ascertain any and all unresolved issues. Copies of those discovery requests are attached hereto as **Exhibit A**, and are incorporated herein by reference.

On April 13, 2012, Defendants' counsel responded to Plaintiff's Requests for Admissions only, in which they summarily denied all requests. A copy of Defendants' responses is attached hereto as **Exhibit B**. On or about April 30, 2012, counsel for Plaintiff sent Defendants' counsel a letter stating he had failed to respond to Plaintiff's Interrogatories and Requests for Production of Documents, and requesting that he forward

responses within fourteen (14) days. A copy of this letter is attached hereto as **Exhibit C**, and is incorporated herein. One month later on May 31, 2012, Plaintiff's counsel filed a Motion to Compel Defendants' discovery responses.

APPLICABLE LAW AND ANALYSIS

Plaintiff filed this action on January 13, 2012. During the six and one-half months of this litigation, Defendants have failed to: (1) offer any information or evidence whatsoever to support any legal defense; (2) request any written discovery; (3) take any depositions of Plaintiff; (4) respond to Plaintiff's written discovery requests.


"[S]ummary judgment is proper when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law." Pittman v. Grand Strand Entm't, Inc., 611 S.E.2d 922, 925 (S.C. 2005); Rule 56, SCRPC. Once the party moving for summary judgment meets the initial burden of showing the absence of evidentiary support for the opponent's case, the opponent may not simply rest on the mere allegations contained in the pleadings. Grant v. Mount Vernon Mills, 634 S.E.2d 15, 17 (S.C. Ct. App. 2006). "Rather, the nonmoving party must come forward with specific facts showing there is a genuine issue for trial." Id. at 17-18.

Responsive pleadings that simply deny allegations supporting a valid cause of action are not sufficient to raise plain, palpable and disputable facts which may otherwise defeat summary judgment. Garrett v. Reese, 204 S.E.2d 432 (S.C. 1974); Main v. Corley, 316 S.E.2d 406 (S.C. 1984). Further, unsupported allegations or denials that simply create an inference are insufficient to withstand summary judgment. Main v. Corley, 316 S.E.2d 406 (S.C. 1984).

In the present case, Defendants have offered only a vague, sweeping denial of all allegations against them. They have not raised any affirmative defenses, have not raised any counterclaims, and have not offered a scintilla of evidence in support of their denial of liability. Defendants may not rest on a general denial raised in their pleadings, but rather must set forth specific facts showing there is a genuine issue for trial. They have failed to do so, and Plaintiff is thus entitled to judgment in its favor as a matter of law.

CONCLUSION

Based upon the foregoing authority and arguments, Branch Banking and Trust Company respectfully requests that this Court award it summary judgment and the relief requested in the Complaint.



Laura G. Simons
CLAWSON AND STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-8144
Telephone (843) 577-2026

Attorneys for Plaintiff

Charleston, South Carolina

August 1, 2012

EXHIBIT A

**CLAWSON
AND STAUBES
LLC**

R. Timothy Whisler
twhisler@clawsonandstaubes.com

March 27, 2012

File No.: 2011-0010.027

S. Jahue Moore, Esquire
Moore, Taylor & Thomas, P.A.
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171

Re: Branch Banking and Trust Company v. Graphic Express, LLC, et al.
Case No: 2012-CP-40-0249

Dear Jake:

Enclosed herewith please find our Interrogatories, Request for Admissions, and Request for Production to the Defendants, which are herewith served upon you.

Please advise me of the volume of documents available in response to our Request for Production. If the cost of copying your client's records is expected to be less than \$100, please copy and send your producible documents. If the cost is expected to exceed \$100 then please let me know so that I can make an appointment to review the file and mark it for copying.

With kindest regards, I remain

Very truly yours,

CLAWSON AND STAUBES, LLC



R. Timothy Whisler

RTW/bke
Enclosures

www.clawsonandstaubes.com
126 Seven Farms Drive, Suite 200, Charleston, South Carolina 29492
Fax: (843) 722-2867 / Office: (843) 577-2026

ROA0063

STATE OF SOUTH CAROLINA)
)
 COUNTY OF RICHLAND)
)
 BRANCH BANKING AND TRUST)
 COMPANY,)
)
 Plaintiff,)
)
 vs.)
)
 GRAPHIC EXPRESS, LLC, LANNY R.)
 GUNTER II, and HARRY B.)
 BENENHALEY,)
)
 Defendants.)

IN THE COURT OF COMMON PLEAS
 CASE NO.: 2012-CP-40-0249

PLAINTIFF'S INTERROGATORIES

2012 MAY 31 PM 1:48
 JEANETTE W. McBRIDE
 C.P. & G.S.
 RICHLAND COUNTY
 FILED

TO: S. JAHUE MOORE, ESQUIRE, ATTORNEY FOR THE DEFENDANTS:

PURSUANT to Rule 33 of the South Carolina Rules of Civil Procedure, Plaintiff, Branch Banking and Trust Company ("BB&T"), requests Defendant to answer under oath all of the following Interrogatories not objected to within the time allowable:

These Interrogatories are continuing in character and require the filing of supplementary answers in accordance with Rule 26(e) of the South Carolina Rules of Civil Procedure, if before trial the party to whom these Interrogatories are directed obtains further or different information after the initial answer. Supplementary answers should include the date upon and manner in which such further or different information came to the attention of the answering party.

1. Give the names and addresses of persons known to the parties or their Counsel to be witnesses concerning the facts of the case and indicate whether or not written or recorded statements have been taken from the witnesses and indicate who has possession of such statements.

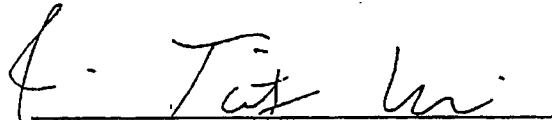
2. For each person known to the parties or counsel to be a witness concerning the facts of the case, set forth either a summary sufficient to inform the other party of the important facts known to or observed by such witness, or provide a copy of any written or recorded statements taken from such witnesses.

3. Set forth a list of photographs, plats, sketches, letters, emails, loan documents, payment stubs, checks, statements, or other prepared documents in possession of the parties that relate to the claim, counterclaim, or any defenses in the case.

4. List the names and addresses of any expert witnesses whom the party proposes to use as a witness at the trial of the case.

5. State with particularity the facts and list any documents which you contend give rise to or support any other counterclaims and /or defenses claimed and alleged by Defendants.

CLAWSON & STAUBES, LLC



R. Timothy Whisler
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492
(843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina
March 26, 2012

STATE OF SOUTH CAROLINA)
)
 COUNTY OF RICHLAND)
)
 BRANCH BANKING AND TRUST)
 COMPANY,)
)
 Plaintiff,)
)
 vs.)
)
 GRAPHIC EXPRESS, LLC, LANNY R.)
 GUNTER II, and HARRY B.)
 BENENHALEY,)
)
 Defendants.)

IN THE COURT OF COMMON PLEAS
 CASE NO.: 2012-CP-40-0249

PLAINTIFF'S REQUEST
 FOR PRODUCTION

2012 MAY 31 PM 1:48
 FILED
 RICHLAND COUNTY
 ANNETTE W. McBRIDE
 C.C.P. & G.S.

TO: S. JAHUE MOORE, ESQUIRE, ATTORNEY FOR THE DEFENDANTS:

The Plaintiff, Branch Banking and Trust Company ("BB&T"), by its undersigned counsel, request that Defendants, pursuant to Rule 34 of the SCRPC, provide to Plaintiff within thirty (30) days of the date of this request, the requested documents:

1. Copies of any and all statements given by the plaintiff and/or defendant which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.
2. Copies of any and all statements given by other witnesses whose testimony is expected to be presented, either live or by deposition at trial, to the incidents and matters complained of herein which are in the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.
3. Copies of any and all written reports by consultants or experts of the Defendants or Defendants' attorney or other consultants and/or experts relating to the Defendants' claims, and/or any other expert witnesses retained for use at trial or identified as witnesses

at trial in Defendants' responses to any Interrogatories.

4. Copies of any and all statements, memoranda, reports, letters, emails, loan documents, payment stubs, checks, other prepared documents or other materials which in any other way might relate to the Defendants' claim or defense, herein which are within the possession of the Defendants or Defendants' attorney, whether written or recorded or on a tape recorder or otherwise.

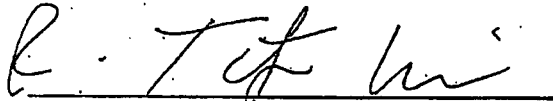
5. To permit the Plaintiff to inspect, to photograph and otherwise copy any and all documents, charts, or accountings which the Defendants or Defendants' attorney may have which relate to the matters alleged herein, to include negatives of such photographs.

6. Any documents (as defined in SCRPC 34(a)), and tangible things of whatever nature and description which you intend to introduce into evidence or to use as impeachment or evidence at trial of this case.

7. Any documents identified or listed by Defendants in response to Plaintiff's Interrogatories.

It is requested that the production of the foregoing documents and things be made on the thirtieth (30th) day of following service of this request to produce at the office of Clawson & Staubes, LLC, 126 Seven Farms Drive, Suite 200, Charleston, South Carolina 29492.

CLAWSON & STAUBES, LLC



R. Timothy Whisler
126 Seven Farms Drive, Suite 200
Charleston, South Carolina 29492
(843) 577-2026
Attorneys for Plaintiff

Charleston, South Carolina
March 26, 2012

ROA0068

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.
GUNTER II, and HARRY B.
BENENHALEY,

Defendants.

IN THE COURT OF COMMON PLEAS

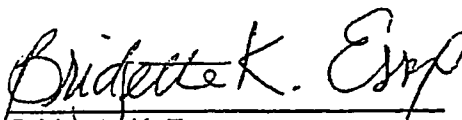
CASE NO.: 2012-CP-40-0249

CERTIFICATE OF MAILING

2012 MAY 31 PM 4:08
FILED
RICHLAND COUNTY
ANETTE W. McBRIDE
C.C.P. & G.S.

I hereby certify that I have caused a copy of the **Plaintiff's Interrogatories**, **Plaintiff's Request for Admissions to Defendants**, and **Plaintiff's Request for Production** in this matter to be deposited in the United States mail with postage prepaid and affixed thereto, addressed as follows, on the 27th day of March , 2012

S. Jahue Moore, Esquire
Moore, Taylor & Thomas, P.A.
1700 Sunset Boulevard
P. O. Box 5709
West Columbia, SC 29171



Bridgette K. Essex
Paralegal for R. Timothy Whisler
Clawson AND Staubes, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492
Telephone: (843) 577-2026
Facsimile: (843) 722-2867

Attorney for Plaintiff

ROA0069

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
BRANCH BANKING AND TRUST
COMPANY,

Plaintiff,

vs.

GRAPHIC EXPRESS, LLC, LANNY R.
GUNTER II, and HARRY B.
BENENHALEY,

Defendants.

) IN THE COURT OF COMMON PLEAS

) CASE NO.: 2012-CP-40-0249

) **PLAINTIFF'S REQUEST FOR**
) **ADMISSIONS TO DEFENDANTS**

TO: S. JAHUE MOORE, ESQUIRE, ATTORNEY FOR THE DEFENDANTS:

PURSUANT to Rule 36 of the South Carolina Rules of Civil Procedure, Branch Banking and Trust Company ("BB&T"), requests that the Defendants admit the truth of the statements set forth herein within thirty (30) days after service hereof upon you.

If objection is made by you to a request, the reasons therefore shall be stated. The answer shall specifically deny the matter or set forth in detail the reasons why the answering party cannot truthfully admit or deny the matter. A denial shall fairly meet the substance of the requested admission, and when good faith requires that you qualify or deny the remainder. You may not give lack of information or knowledge as a reason for failure to admit or deny unless you state that you have made reasonable inquiry and that the information known or readily obtainable by the party is insufficient to enable the party to admit or deny.

Additionally, pursuant to Rule 36(a) of the South Carolina Rules of Civil Procedure, all of the below requests are deemed admitted if not responded to and returned within thirty (30) days after service.

ROA0070

Requests for Admissions

1. That on or about October 19, 2009, for value received, the Defendant, Graphic Express, LLC, executed and delivered to BB&T, a Promissory Note and Security Agreement (the "Note").

ADMIT DENY

2. That under the terms of the Note, the Defendant promised to pay the Plaintiff the sum of \$82,000.00 Dollars, plus interest.

ADMIT DENY

3. That the Defendant is presently in default under the terms of the Note.

ADMIT DENY

4. That according to the terms and conditions of the Note it is provided that in the event of default in the payment of any installment when due, the entire principal and accrued interest shall at once become due and payable after appropriate notice, at the option of the holders.

ADMIT DENY

5. That the Defendants, Lanny R. Gunter, II and Harry B. Benenhaley, executed agreements personally guaranteeing payment of all obligations of Graphic Express, LLC plus costs, fees and any other obligations due Plaintiff under the Note.

ADMIT DENY

6. That the Defendants are liable for the full amount due under the Note.

ADMIT DENY

7. That the Plaintiff has made demand upon the Defendants for payment under the terms of the Note.

ADMIT DENY

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
In the Court of Common Pleas

L. Casey Manning, Presiding Judge

Case No.: 2012-CP-40-0249

RECEIVED
OCT 09 2012
SC Court of Appeals

Branch Banking and Trust Company..... Respondent,

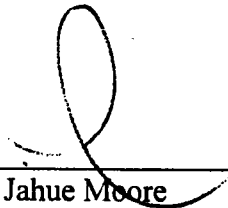
v.

Graphic Express, LLC; Lanny R. Gunter, II; and Harry B. Benenhaley..... Appellants.

2012 OCT -9 11 4:50
CLERK OF COURT
RICHLAND COUNTY

NOTICE OF APPEAL

Graphic Express, LLC; Lanny R. Gunter, II; and Harry B. Benenhaley appeal the Order of the Honorable L. Casey Manning dated September 10, 2012, a copy of which is attached hereto and incorporated here. Appellants received written notice of entry of this Order on September 14, 2012.



S. Jahue Moore
John C. Bradley, Jr.
MOORE, TAYLOR & THOMAS, P.A.
Post Office Box 5709
West Columbia, SC 29171
(803) 796-9160
ATTORNEYS FOR APPELLANTS

**Other Counsel of Record:
Laura G. Simons, Esquire
CLAWSON and STAUBES, LLC
126 Seven Farms Drive, Suite 200
Charleston, SC 29492-7595
(843) 577-2026
ATTORNEYS FOR THE RESPONDENT**

ROA0073

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
In the Court of Common Pleas

L. Casey Manning, Presiding Judge

Case No.: 2012-CP-40-0249

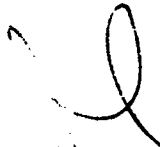
Branch Banking and Trust Company.....Respondent,

v.

Graphic Express, LLC; Lanny R. Gunter, II; and Harry B. Benenhaley.....Appellants.

PROOF OF SERVICE

I certify that I have served the Notice of Appeal by mail, to Laura G. Simons, Esquire,
CLAWSON & STAUBES, LLC, 126 Seven Farms Drive, Suite 200, Charleston, South Carolina
29492, on October 9, 2012..



S. Jahue Moore
John C. Bradley, Jr.
MOORE, TAYLOR, & THOMAS, PA
Post Office Box 5709
West Columbia, SC 29169
(803)-796-9160
ATTORNEYS FOR APPELLANTS

STATE OF SOUTH CAROLINA)	
)	COURT OF COMMON PLEAS
County of Richland)	2012-CP-40-0249
)	
Branch Banking and Trust)	
Company,)	
)	
PLAINTIFF,)	
)	
vs.)	TRANSCRIPT OF RECORD
)	
Graphic Express, LLC., et al.,)	
)	
Defendant,)	

September 4, 2012
Columbia, South Carolina

BEFORE:

THE HONORABLE L. CASEY MANNING, JUDGE.

APPEARANCES:

LAURA SIMONS, ATTORNEY AT LAW
Attorney for the Plaintiff

JAHUE MOORE, ESQ.
Attorney for the Defendant

KAREN AMBROZIAK
Official Court Reporter

C O N T E N T S

INDEX OF EXHIBITS:

(There were no exhibits introduced.)

INDEX OF WITNESSES:

(There were no witnesses called.)

1 THE COURT: Yes, ma'am.

2 MS. SIMONS: Your Honor, Laura Simons.

3 THE COURT: I thought it was your motion, Mr. Moore.

4 MR. MOORE: This one is -- it's not my motion, Your
5 Honor. I'm defending this one.

6 THE COURT: All right. Well, Ms. Simons.

7 MS. SIMONS: I'll with Clawson and Staubes, and I
8 represent BB&T. This is an action to collect on a note of
9 a personal guarantee.

10 In October of 2009, Graphic Express, LLC received a
11 credit under a promissory note in the amount of \$82,000,
12 and that note was personally guaranteed by the defendant,
13 Mr. Gunter and Mr. Benenhaley (phonetic).

14 The defendants have failed to make their required
15 payments, and as of November 2011, are in default in the
16 amount of \$50,263.06.

17 BB&T filed suit in January of this year and
18 defendants answered with just a couple of sentences just
19 generally denying the allegations. They didn't raise any
20 affirmative defenses.

21 THE COURT: At the time they were pro se, I'm
22 guessing?

23 MS. SIMONS: No, sir.

24 THE COURT: All right.

25 MS. SIMONS: Mr. Moore filed an answer for them.

1 No affirmative defenses or counter-claims. After we
2 filed a motion to compel discovery, they did submit the
3 discovery responses. They were just very basic.

4 They indicate they have no documents to submit in
5 support of their defense. So we filed a motion for a
6 summary judgment. We don't think there is any genuine
7 issue of material fact in this case.

8 As you know, we, with our complaint, offered evidence
9 of the existence of the note, the personal guarantees of
10 both defendants, and an affidavit of account showing their
11 default.

12 Defendants, obviously, cannot rest on their mere
13 allegations of a denial and must put forth a genuine issue
14 of fact, and we don't believe they have. We're moving for
15 summary judgment.

16 THE COURT: Thank you, ma'am.

17 Mr. Moore, I'll be happy to hear from you, sir.

18 MR. MOORE: Your Honor, I have somewhat of a
19 logistical problem in that BB&T recently took the
20 deposition of my client, which is what I would expect to
21 rely upon in regard to why this motion for summary
22 judgment should be denied.

23 If the Court would allow me to provide that
24 deposition to you when it comes back, it's the sworn
25 testimony of Mr. Gunter. It would basically explain why

1 we believe this debt really isn't owed.

2 If the Court will look at the promissory note, it
3 actually is a promissory note and security agreement.
4 What happened, basically, is that BB&T has come in and has
5 seized various equipment as security, and they have
6 disposed of that equipment and yet to provide anybody from
7 our side with any accounting, nor any notice of sale, nor
8 anything as required by the code.

9 As we understand the law that unless a secured debtor
10 complies with the UCC in regard to notice of sale, it is
11 presumed that a debtor has, in effect, taken the
12 collateral back as satisfaction for the debt.

13 In this case, the depositions we have taken indicate
14 that, in fact, BB&T has seized the equipment, seized the
15 collateral. To our knowledge, has either disposed of it
16 without telling us they were going to or simply kept it in
17 satisfaction of the debt.

18 I'm waiting for that deposition to come back. It
19 should be back to us any day, but if the Court would allow
20 me to provide that to the Court, then I can submit the
21 appropriate code sections, but I have been through this
22 several times.

23 My understanding is that if, in fact, they have taken
24 the property, not seized, disposed of it, that there
25 basically is no debt; therefore, denial would be

1 appropriate.

2 Obviously, there aren't any documents we have because
3 they haven't given us any telling us when they were going
4 to sell it.

5 They have our equipment. They have had it for an
6 extended period of time. There has been no sale, no
7 notice of sale, no accounting in regard to sale, nor any
8 indication as to what they've done with it.

9 Under those facts as we understand the law, the law
10 would presume that the collateral has been taken in
11 satisfaction of the debt, and it would be a question of
12 fact then as to whether or not the debt is owed.

13 Thank you.

14 THE COURT: All right.

15 Yes, ma'am.

16 MS. SIMONS: Your Honor, Mr. Gunter's deposition was
17 taken, but it was in a different case. These men actually
18 had multiple loans and lines of credit with BB&T.

19 This is a totally separate and distinct loan from the
20 one where his deposition was taken, and I may be
21 misunderstanding the facts, but I don't believe that
22 Graphic Express's inventory was seized.

23 MR. MOORE: No. It's correct. Graphic Express
24 had -- Graphic Express was a screen printing company.
25 What they took from us in regard to Graphic Express was

1 our equipment. They had the equipment is what was seized
2 at Graphic Express.

3 You know, I'll be happy -- she is correct, the
4 deposition was taken in another case, but that's basically
5 where the -- what happened is was actually described to
6 BB&T at length, as they know.

7 My understanding is the sworn testimony would be
8 perfectly capable for review by the Court in opposition to
9 the motion.

10 THE COURT: All right.

11 Anything further?

12 MS. SIMONS: Just that defense that he's raising
13 today is the defense that he's raising in two separate
14 cases. It has not been raised as a defense in this case.

15 Mr. Gunter did not testify, as much as I can
16 recall -- and we have gotten the deposition transcript,
17 but I didn't realize this was going to be an issue today
18 -- did not testify that Graphic Express had any property
19 which was seized.

20 THE COURT: All right. Thank you.

21 Anything further?

22 (There was no response).

23 Well, thank you both for your lively presentation.
24 I'll consider the arguments heard here today and let you
25 know my decision in the due course of time.

1 MR. MOORE: Thank you.

2 MS. SIMONS: Thank you, Your Honor.

3 THE COURT: Thank you both.

4

5 (Whereupon, the proceedings were concluded.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not other material.



S. Jahue Moore, Esquire
John C. Bradley, Jr., Esquire
P.O. Box 5709
West Columbia, South Carolina 29171
(803) 796-9160
ATTORNEYS FOR APPELLANTS

West Columbia, South Carolina
September 25, 2013

RECEIVED

OCT 01 2013

SC Court of Appeals

ROA0084