STATE OF ALABAMA

LEASE AGREEMENT

MONTGOMERY COUNTY

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS HERETOFORE on the day of July 1946, the undersigned,

E. T. Spidle, heretofore doing business as Montgomery Limestone Company, entered into a contract with Longview-Saginaw Lime Works, Inc., copy of which is attached hereto, under the terms of which said E.T. Spidle
purchased from Longview-Saginaw Lime Works, Inc., all loose spawls of rock upon the property of said Longview
Saginaw Lime Works, Inc., together with the right of Ingress and egress over and upon the lands of LongviewSagivaw Lime Works, Inc., for the purpose of recovering and processing said rock; and the further right to erect
upon the property of Longview-Saginaw Lime works, Inc., all machinery necessary or convenient for the purpose
of processing, milling, grinding, and shipping such rock; and

Whereas, pursuant to said contract said E. T. Spidle did erect upon the property of Longview-Saginaw Lime Works, Inc., certain buildings, machinery, and plant for the purpose of recovering and processing, milling, grinding and shipping such limestone rock; and

Now Therefore, it is mutually agreed by and between said parties as follows:

- 1. Said Spidle agrees to sell and said Montgomery Linestone Company, Inc., agrees to buy, all buildings, equipment, and machinery of said E. T. Spidle erected on property of Longview-Saginaw Lime Works, Inc., and being particularly listed on attached exhibit.
- 2. Purchase price therefor shall be the sum of \$50,860.40, Dollars, payable One Thousand and no/100 (\$1000.00) cash here with, receipt of which Spidde hereby acknowledges, and balance payable as hereinafter set forth.
- 3. Said E. T. Spidle covenants and warrants that said property is free and clear of any encumbrance and that he has a good right to sell and transfer the same; and further covenants and warrants that said property is in good operating condition.
- 4. Title to said property shall be and remain in seller until purchase price above specified, together with interest thereon at the rate of $4\frac{1}{2}$ percent per annum, shall be paid in full.
- 5. Balance of purchase price of \$49,860.40 Dollars shall be paid in quarterly installments of \$1000.00 Dollars (One Thousand dollars), each quarter, beginning January 1, 1948, together with interest upon each installment at the rate of 4½ percent per annum; provided however that the buyer has the right to anticipate payments and interest shall be calculated only upon the unpaid balance.
- 6. Buyer shall have the right of possession of said property, and agrees to operate said plant and equipment safely and economically during the continuance of this agreement.
- 7. As further security for the payment to said Seller of the unpaid balance of said pruchase price, parties mutually agree that Seller shall have a lien upon the net proceeds from operation of said plant and equipment after payment of operating expenses and taxes, to be set upin the following manner.
 - (1) Buyer agrees that all proceeds of sales shall be deposited in the First National Bank of Montgomery, Alabama; and there shall be paid therefrom all expenses of operation, promptly as the same become due, and Buyer covenants and agrees not to permit any account to become in default and not to permit the accrual of any liens against said property or against any of the proceeds of operation thereof;
 - (2) Buyer shall make proper provision for paying promptly all State, County, Municipal and Federal Taxes, including corporate taxes and income taxes.
 - (3) Seller agrees that Buyer may, in addition, establish a reasonable reserve for operating capital, not to exceed 25 percent of net earnings during any fiscal year, which reserve can be used for such property corporate purposes as the Board of Directors of the Corporation deem advisable, including the payment in anticipation of any of the above described deferred payment due to Seller.
 - (4) All balance of net income during each fiscal year shall be set up as a special reserve for payment of balance of purchase price due Seller under this instrument and shall be used by said corporation for no purposs except for the payment to Seller of the deferred payments due

under this instrument.

- (5) It is mutually agreed that in computing operating expesses under this paragraph,

 Buyer shall include all amounts of rent paid as hereinafter set forth, and also

 officers' salaries, not to exceet the sum of \$10,000.00 dollars per annum.
- (6) Parties mutually agree that said E. T. Spidle, for the purpose of determining that this paragraph has been complied with, shall have full right of access to the books and records of Buyer at all reasonable times, including the right to have audits made by accountant of his selection; and Buyer agrees to keep or cause to be kept accurate records of all operations, sales, collections, salaries, wages, and accurate records of receipts and disbursements.
- 8. Said E. T. Spidle does hereby sub-lease, to the Montgomery Limestone Company, Inc., all of the rights of E. T. Spidle, doing business as Montgomery Linestone Company, under that certain lease contract executed to him by Longview-Saginaw Lime Works, Inc., under date of July 1946, copy of which is hereto attached and made a part hereof as fully as if set out herein; and Montgomery Limestone Company, Inc., covenants and agrees promptly to pay all amounts of rentals due Longview-Saginaw Lime Works, Inc., under the terms of said lease and covenants and agrees to abide by all the terms and conditions of said lease; this sub-lease to continue for the terms of said lease from Longview-Saginaw Lime Works, Inc., subject to rights of termination as hereinafter set forth.
- 9. Purchaser shall keep said property insured in an amount of not less than \$50,000.00 Dollars with loss payable, if any, to Seller, as his interests may appear; and Buyer agrees to pay all taxes or assessments against said property. In the event Buyer fails to insure said property or having insured same, fails to pay all premiums due thereon, or fails to pay any taxes or assessments against said property, Seller, at his option, may pay the same and the amount so paid shall become part of the principal balance due to the Seller under this agreement.
- 10. Buyer agrees to maintain said property in the same condition in which the same now is, and keep the same in proper repair and good operating condition so long as any amounts remain due to the Seller under the contract.
- Il. In the event of default by the Buyer of any of the provisions of this agreement; in the event Buyer fails to pay promptly any of the installments of principal or interest due hereunder, or in the event Seller deems himself insecure or insufficiently secured for all balances due under this contract, in either event, said Seller shall have the following option and right, namely,
 - (a) To retake possession of said property and to sell the same at public or private sale, with or without notice, and out of the proceeds of such sale to pay first the cost of such sale, including a reasonable attorney's fee, second all balances then due to the Seller, with interest thereon, and three the balance, if any, remaining to be paid to the Buyer.
 - (b) To enforce the mecurity created by this instrument by any legal or applicable enforcement available to him under the laws of Alabama including, but not limited to one, foreclosure by action in court; two, the right to have a receiver appointed to take possession of the property; or three, to retake possession of the premises herein sub-leased, and to retake possession of said plant, machinery, and equipment, and to operate the same, and to pay the expenses thereof, including a reasonable salary to Seller for his services in operating the same, and out of the net proceeds thereof after payment of all such operating expenses, to apply any balances remaining to the payment of the balance due Seller under this contract. It is mutually agreed that in the event of any foreclosure sale under this instrument, Seller shall have the right to purchase the same as if a stranger to this contract.
- 12. It is mutually understood and agreed that in the event of the violation of any of the provisions of this instrument, or in the event the Seller elects to exercise the options herein granted to retake possess-

ion of said property in the event he deems himself insecure, the sub-lease herein granted shall immediately terminate at the option of the Seller.

IN WITNESS WHEREOF, said E. T. Spidle has hereunto set his hand and seal this <u>lst</u>. day of October, 1947, and Montgomery Limestone Company, Inc., has caused this instrument to be executed by Lucile H. Spidle, its duly authorized President, this <u>lst</u>. day of October, 1947.

STATE OF ALABAMA BMELBY COUNTY

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L. C. WALKER.

E. T. Spidle

MONTGOMERY LIMESTONE COMPANY, INC.

BY Lucile H. Spidle

President

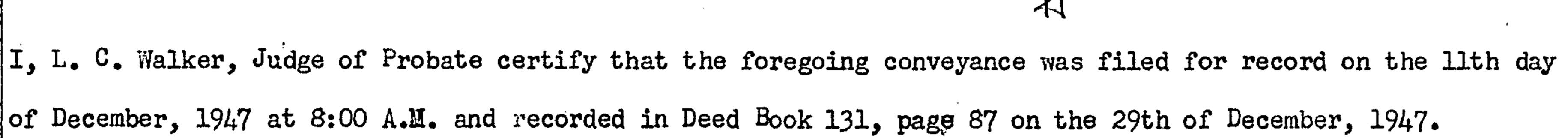
OMELBY COUNTY

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L. C. WALKEN



L. C. Walker,

Judge of Probate