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OPTION AGREEMENT

AGREEMENT made this 3rd day of September,
1958, by and between WILLIAM M. SCHULER and THOMAS M.
PEARCE, (herein called Schuler and Pearce, respectively),
both of Birmingham, Alabama, parties of the first
part, and H. F. CROMER, (herein called Cromer), of
Alabaster, Alabama, party of the second part.

RECITALS

Alabasta Optical & Plastic Company (herein called
the Company) is an Alabama corporation with its
principal place of business in Alabaster, Shelby
County, Alabama. The Company now has 600 shares of
common capital stock of the par value of \$100 per
share authorized, issued and outstanding, such shares
being owned and held as follows:

H. F. Cromer	355 shares
William M. Schuler	200 shares
Alex Fedoranchik	30 shares
Schuler Equipment Company, Inc.	5 shares
Estate of D. K. McKamy	<u>10</u> shares
Total	600 shares

Schuler and Pearce are both officers and directors
of the Company. Cromer desires to grant to Schuler

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and Pearce, and Schuler and Pearce desire to receive from Cramer, an irrevocable option to purchase the 355 shares of the Company now owned by Cramer, upon the terms and conditions hereinafter set forth.

W I T N E S S E T H :

NOW, THEREFORE, in consideration of the premises and the mutual promises of the parties herein contained and in consideration of \$1 in hand paid to Cramer, receipt whereof is hereby acknowledged, it is hereby agreed by and between the said Cramer, Schuler and Pearce as follows:

(1) (a) Cramer does hereby grant unto Schuler the exclusive right and irrevocable option of purchasing at any time within 3 years after the date hereof for cash, at a price of \$100 per share, 100 shares of the common capital stock of the Company now owned by Cramer. Said 100 shares of the Company are evidenced by stock certificates #26 and #27 and are pledged by Cramer to Ramon Santamarina and Ernesto Santamarina to secure an unpaid debt in the amount of \$7,000.00

(b) Cramer does hereby grant unto Pearce the exclusive right and irrevocable option of purchasing at any time within 3 years after the date hereof for cash, at a price of \$100 per share, 50 shares of the common capital stock of the Company now

owned by Cromer. Said 50 shares of the Company are evidenced by stock certificate #28.

(2) (a) Cromer does hereby grant unto Schuler the exclusive right and irrevocable option of purchasing at any time within 3 years after the date hereof for cash, at a price of \$125 per share, 105 shares of the common capital stock of the Company now owned by Cromer.

(b) Cromer does hereby grant unto Pearce the exclusive right and irrevocable option of purchasing at any time within 3 years after the date hereof for cash, at a price of \$125 per share, 100 shares of the common capital stock of the Company now owned by Cromer.

(a) In the event of any exercise or exercises of the options provided in this paragraph (2), such exercise or exercises shall be made

- First, with respect to the 155 shares of the Company evidenced by stock certificates #21, #22, #23, #24 and #25, which are pledged to George B. Cunningham to secure unpaid notes in the aggregate face amount of \$20,000; and

- Second, with respect to 50 of the shares of the Company evidenced by stock certificate #28 for

100 shares.

(3) (a) During the said 3 year option period Schuler and Pearce may exercise, at any time and from time to time, their respective options with respect to part or all of the shares subject to the options contained in paragraphs (1) and (2) above.

(b) In the event either of the optionees, Schuler and Pearce, should die during said 3 year option period the options referable to such deceased optionee shall lapse and become null and void upon the expiration of 60 days after the qualification of a personal representative of such deceased optionee's estate. Upon the expiration of said 60-day period the surviving optionee shall accede to and be entitled to exercise, upon the same terms and conditions, any unexercised options referable to any shares which the deceased optionee, or his estate, would have been entitled to purchase from Cromer.

(c) In the event both Schuler and Pearce should die during said 3 year option period the unexercised options referable to both Schuler and Pearce shall lapse and become null and void upon the expiration of 60 days after the qualification of a personal representative of the estate of the last of such optionees surviving.

(d) If at the end of said 3 year option

period either optionee has failed to purchase any of the shares covered by the options herein contained, then the other optionee shall have the option, exercisable within 10 days after the expiration of said 3 year option period, to purchase from Cromer, upon the same terms and conditions as the declining optionee, all or any of such unpurchased shares.

(e) It is understood and agreed that the operation of one or more of subparagraphs (b), (c) and (d) of this paragraph (3) may have the effect of extending said 3 year option period.

(4) (a) Notice of any exercise of any option herein contained shall be given in writing, either delivered in hand to Cromer or mailed by registered mail to Cromer, return receipt demanded, to Cromer's last known address according to the records of the Company.

(b) The closing of any purchase of shares from Cromer, pursuant to the exercise of any option herein contained, shall take place within 10 days after receipt by Cromer of notice of such exercise at a time and place mutually agreeable to Cromer and the optionee or optionees electing to make such purchase or purchases.

(5) The options herein contained shall lapse

and become null and void upon the expiration of 60 days after the death of Ford Cromer (husband of the undersigned H. P. Cromer), in the event the said Ford Cromer dies within the first 34 months of said 3 year option period.

(6) In the event the options herein contained are exercised by Schuler and Pearce, or by either of them, and all of said 355 shares in the Company now owned by Cromer are purchased pursuant to this agreement, Schuler and Pearce jointly and severally covenant and agree that as officers, directors and stockholders of the Company they will take or cause to be taken, any and all actions necessary for the said Ford Cromer, or his heirs, assigns and personal representatives, to be paid a consulting fee or retirement allowance in the amount of \$300 per month for a period of 36 months, commencing with the month in which the last of said 355 shares are purchased by said optionees, or either of them, pursuant to this agreement.

(7) The options herein contained referable to Pearce shall lapse and become null and void in the event Pearce's employment with the Company is terminated for any reason whatsoever other than death.

(8) (a) As an inducement to Schuler and Pearce to make and enter into this agreement and in considera-

tion of them so doing, the undersigned Ford Cromer now comes and joins herein for the purpose of agreeing with and obligating himself unto Schuler and Pearce that, in the event of the exercise of the options herein contained and the purchase pursuant to this agreement of all of said 355 shares subject hereto so that the said Ford Cromer shall become entitled to receive retirement or consulting fee payments in the amount of \$300 per month as provided hereinabove in paragraph (6), the said Ford Cromer will not for a period of 5 years after such \$300 per month payments commence engage in or become interested, directly or indirectly, as stockholder, owner or otherwise, in any plastics manufacturing business or other related enterprise, whether carried on as an individual proprietorship, partnership, association or corporation, doing any business in Shelby County, Alabama, or in any other county or counties in the State of Alabama, or in any county or counties in any state of the United States.

(b) The covenant not to compete contained in subparagraph (a) next preceding shall not in any wise restrict the said Ford Cromer (doing business as Allstates Advertising Specialists, or under any other name) from conducting a business as a jobber of products manufactured by the Company; provided that as such jobber the said Ford Cromer shall pay the Company for its products the same prices that the Company charges

the Newborn Company, Arlington, Texas, with the following additional charges: The said Ford Cromer shall pay the Company an additional 1¢ per item for the Flat Calendar (Dateline, Barrel Shape, #PC89), and an additional 2¢ per item for all other items now manufactured by the Company with the exception of the Telescope Folding Cup.

(9) The following notation shall be typed on the face of every stock certificate evidencing the shares in the Company subject to the options contained in this agreement:

"The shares of stock evidenced by this certificate are subject to the terms of that certain Option Agreement dated Sept. 30, 1958, between William H. Schular, Thomas M. Pearce, H. P. Cromer and Ford Cromer, a copy of which is on file in the office of the Secretary of the corporation."

(10) Cromer and the undersigned Ford Cromer hereby jointly and severally covenant and agree as follows:

(1) That 100 shares of stock covered by this agreement are pledged to Ramon and Ernesto Diego Santamarina to secure an unpaid indebtedness of Ford Cromer to said pledgees in the amount of \$7,000.00, and that said 100 shares are evidenced by stock certificates #26 and #27.

(ii) That 155 shares of stock covered by this agreement are pledged to George B. Cunningham to secure an unpaid indebtedness of Cromer to said pledgee in the amount of \$20,000, payable annually in installments of \$4,000 each, and that said 155 shares are evidenced by stock certificates #21, #22, #23, #24 and #25.

(iii) That 100 shares of stock covered by this agreement are unencumbered and that said 100 shares are evidenced by stock certificate #28.

(iv) That the pledgees of shares subject to this agreement, mentioned hereinabove in (i) and (ii) of this paragraph (10), each will agree to allow all shares so pledged to be subject to the options herein contained and will permit all stock certificates evidencing said pledged shares to have typed thereon the notation set forth in paragraph (9) above, with a further provision, however, that said shares shall not be subject to said options in the hands of any purchaser at a foreclosure sale of said shares, or any of them, in the event said indebtedness is not paid when due, unless said purchaser at any such foreclosure sale is the said Cromer or Ford Cromer; that said pledgees are

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represented in this matter by Joseph F. Johnston, Esquire, of the firm of Cabaniss & Johnston, Birmingham, Alabama, and that the said Joseph F. Johnston, as attorney for said pledgees, or said pledgees, will deliver letters to the optionees hereunder evidencing said pledgees' consent hereto.

(v) That so long as any indebtedness of either Cromer or Ford Cromer to one or more of said pledgees mentioned in this paragraph (10) remains unpaid, the proceeds of any purchase of shares pursuant to the terms of this agreement may, at the election of the purchaser or purchasers, be paid over for the account of Cromer or Ford Cromer directly to any pledgee or pledgees of any shares of the Company, even though any such payment to any such pledgee may result in a prepayment, either in whole or in part, of any such indebtedness.

(11) This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, personal representatives, and assigns.

The terms "optionee" and "optionees" as used herein mean and include Schuler and Pearce, or either of them, according to the context.

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IN WITNESS WHEREOF, the parties hereto have executed this agreement in triplicate, under their respective seals, on the day and year first above written.

WITNESSES:

Conrad Fowler Jr.

William M. Schuler (SEAL)
WILLIAM M. SCHULER

Conrad Fowler Jr.

Thomas M. Pearce (SEAL)
THOMAS M. PEARCE

Conrad Fowler Jr.

H. F. Cromer (SEAL)
H. F. CROMER

Conrad Fowler Jr.

H. F. Cromer (SEAL)
H. F. CROMER

STATE OF ALABAMA, SHELBY COUNTY

I, Conrad M. Fowler, Judge of Probate, hereby certify that the within affidavit was filed for record in this office on the 23 day of April, 1960, at 11:00 A.M., o'clock, and recorded in Shelby Book 20 at page 137 on the 1 day of April, 1960, at 11:00 A.M., o'clock, and Mortgage Tax Deed Tax has been paid.

Conrad M. Fowler
Judge of Probate