

3301

LEASE ASSIGNMENT

STATE OF ALABAMA
COUNTY OF SHELBY

FOR VALUE RECEIVED, the undersigned does hereby transfer and assign, with right of reassignment, all of its right, title and interest, in and to that certain Lease Agreement dated March 19 1968 Lessor by and between Gulf States Paper Corporation/and Carpenter, Inc., transferred and assigned to Columbiana Industrial Development Corporation, ~~XXXXXX~~ on June 16, 1969, and Columbiana Industrial Development Corporation Assignee, ~~XXXXXX~~, copy of which is attached hereto and incorporated herein and identified as Exhibit "A", to Small Business Administration, its successors and assigns, as additional collateral to secure a loan made by said Assignee to Columbiana Industrial Development Corporation evidenced by a promissory Note in the amount of \$ 271,800.00 dated April 18, 19 69. The premises covered by said Lease Agreement are described on Exhibit "A" attached.

THIS AGREEMENT shall remain in force and effect for the term of this lease or any renewal(s) thereof until said Loan has been paid in full to Small Business Administration, but payment thereof shall serve to cancel this Assignment and restore the parties thereto to their original position.

WITNESS the seal of the Corporation and the signatures of the duly authorized officers. THIS the 11 day of July, 19 69.

(CORPORATE SEAL)

COLUMBIANA INDUSTRIAL DEVELOPMENT CORPORATION

By J. P. McDow (L.S.)

Secretary

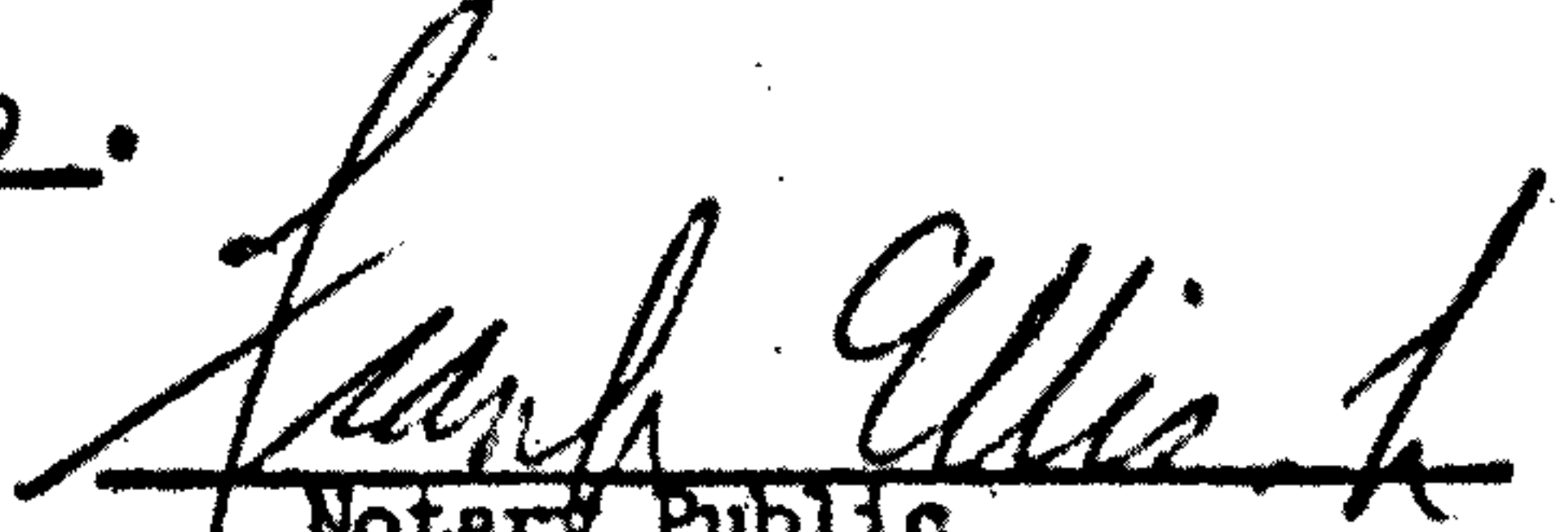
WITNESSES:

Frank Ellis

STATE OF ALABAMA

SHELBY COUNTY

I, the undersigned, a Notary Public in and for
said County in said State, hereby certify that _____
J. T. McDow, whose name as President
Corporation
of Columbiana Industrial Development/, a corporation, is signed
to the foregoing instrument, and who is known to me, acknowledged
before me on this day that, being informed of the contents of said
instrument, he, as such officer, and with full authority, executed
the same voluntarily for and as the act of said corporation, acting
in his capacity as aforesaid.

Given under my hand and official seal, this 11 day of
July, 1969.

Notary Public

My Commission expires:

9-8-70

LESSOR'S CONSENT:

(Lessor)

STATE OF ALABAMA)

SHELBY COUNTY)

FOR AND IN CONSIDERATION of the sum of One Dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CARPENTER, INC., a corporation, hereby assigns, sub-leases, and transfers to COLUMBIANA INDUSTRIAL DEVELOPMENT CORPORATION that certain lease and the premises therein described which said lease is attached hereto as Exhibit "A" and made a part and parcel hereof as fully as if set out herein, and all rights of Carpenter, Inc. in and to the lease and premises therein described. Said lease bearing date of March 10, 1968 and being executed on March 19, 1968 by Gulf States Paper Corporation as Lessor and Carpenter, Inc. as Lessee.

Dated this 16th day of June, 1969.

ATTEST:



Secretary

CARPENTER, INC., a corporation

By 
Its President

STATE OF ALABAMA)

SHELBY COUNTY)

I, the undersigned, a Notary Public in and for said County and State, hereby certify that  whose name as President of Carpenter, Inc., a corporation, is signed to the foregoing assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of the assignment, he, as such officer and with fully authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 22 day of June, 1969.


Notary Public

My Commission Expires July 24, 1971

STATE OF ALABAMA

SHELBY COUNTY

This lease made this 19th day of March, 1968,
by and between Gulf States Paper Corporation, a corporation, party of the first
part, hereinafter called the Lessor and Carpenter, Inc., a corporation, party
of the second part, hereinafter called the Lessee, WITNESSETH:

That the lessor does hereby rent and lease unto the lessee the herein-
after described premises for a term of twenty (20) years, beginning the 1st
day of June, 1967, with the option to renew the same for an additional two (2)
five (5) year terms, provided the parties hereto agree to the terms and condi-
tions of said extensions; said premises being described as follows:

NE $\frac{1}{4}$ of Block 2, Town of Shelby;

That triangular block of land bounded on the north by L&N Railroad,
on the south by Sixth Avenue, on the east by Third Street and on the
West by Church Street;

That block of land bounded on the north by the L&N Railroad, on
the east by Fourth Street, on the south by Sixth Avenue and on the
West by Third Street;

A part of SE $\frac{1}{4}$ of Section 13, Township 22 South, Range 1 West
described as follows: To find the point of beginning start at the
northwest corner of Block 2 according to Safford's Map of Town of
Shelby, thence northwardly along the extension northwardly of the
west line of said Block 2 a distance of 141.3 feet to a point on the
center line of the L&N Railroad, thence eastwardly along the center
line of said Railroad a distance of 305 feet to a point thence
northwardly at a deflection angle of 90° a distance of 150 feet
to a point which is the point of beginning, thence continue northwardly
at right angles to the center line of said L&N Railroad a distance
of 25 feet to a point thence with a deflection angle of 90° 13'
to the left a distance of 175 feet to a point, thence eastwardly
with a deflection angle of 97° 13' to the right a distance of
1058.1 feet to a point, thence southwardly with a deflection
angle of 90° 07' to the right a distance of 325 feet to a point
on the north line of said L&N Railroad right of way, thence east-
wardly along the north line of said right of way to a point on the
east line of said Section 13, thence northwardly along the east line
of said Section 13 to a point 100 feet north of the southeast
corner of NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of said Section 13, thence South 84° 30'
West a distance of 982.6 feet to a point, thence South 23° 30'
West a distance of 309.7 feet to a point, thence North 66° West
a distance of 392 feet to a point, thence South 65° 30' West a
distance of 452.8 feet to a point, thence South 51° 35' East
a distance of 39.4 feet to a point, thence South 0° 15' West a
distance of 271 feet to a point, thence South 76° 55' West a
distance of 175 feet to a point, thence North 77° 5' West a
distance of 223.2 feet to a point, thence North 60° 38' West a
distance of 187.1 feet to a point on the Extension northwardly of
the west line of Church Street, thence southwardly along the
extension northwardly of the west line of Church Street to a
point on the north line of a public road thence eastwardly
along the north line of the public road to a point on the east
line of Church Street, thence southwardly along the east line
of Church Street to a point 125 feet north measured along the
East line of Church Street from the North line of the right of way
of the L&N Railroad, thence Eastwardly parallel to the north line
of the right of way of the L&N Railroad a distance of 305 feet
to the point of beginning, less and except any of the following

located on the above: Begin at a point on the North line of the right of way of the L&N Railroad; thence northwardly at right angles to said right of way a distance of 150 feet to a point; thence with a deflection angle of $55^{\circ} 26'$ to the right a distance of 286 feet to a point which is the point of beginning; thence northwardly a distance of 72 feet to a point; thence eastwardly a distance of 49 feet to a point, thence southwardly a distance of 99 feet to a point on the north line of a public road; thence westwardly along said public road a distance of 48.4 feet to a point; thence northwardly a distance of 31 feet and enclosing the old furnace chimney; also less and except any and all existing rights of way and easements, Shelby County, Alabama, Section 13, Township 22 South, Range 1 West.

and lessor covenants to keep the Lessee in possession of said premises during said term of any extension thereof. The Lessor reserves the right of ingress and egress across said premises during the term of this lease or any extension thereof, provided it does not unreasonably interfere with the operations of the Lessee. Lessor reserves all timber now growing on the premises being leased, and in the event Lessee desires to expand its business operation in such a manner that the trees will interfere with said expansion; then, in that event, the Lessor reserves the right to cut such of said trees as it elects to cut, with the understanding the same shall be cut within 90 days from receipt by Lessor from the Lessee a written request that said trees be cut and removed. It is further understood that the Lessor shall not be required to remove any of said trees or remove any stumps or debris from the premises which it does not elect to remove. Lessee being granted right to so remove after notice aforesaid. Lessor also reserves all slag located on said premises and reserves the right of ingress and egress thereto for itself, its successors and assigns for the purpose of removing said slag during the term of this lease or any extensions thereof, provided, however, that exercise of such rights by Lessor shall not disturb or damage any improvements made by Lessee nor interfere with conduct of Lessee's operations on leased premises.

It is understood and agreed that the above premises have been leased to the Lessee for the purpose of operating its business thereon. It is specifically understood and agreed that the Lessee shall not during the term hereof, engage in production of any items not presently produced by it which will be in competition with the Lessor, except that it may enter into the business of producing pulpwood chips. Irrespective of what other consumers are paying for the products hereinafter mentioned, it is understood and agreed that the Lessor shall have the first refusal to purchase all the chips, sawdust,

shavings, bark and other by-products of like kinds and descriptions produced by the Lessee at its Shelby, Alabama, plant at a price comparable to that being paid by the Lessor for said products considering the price of the products and freight costs for comparable distances. The right of first refusal as herein set out shall not apply to the purchase of boxes and pallets, flooring and other finished and semi-finished products. However, Lessor shall have the right to bid and purchase as any other customer of the Lessee for these named products.

In consideration whereof, the Lessee agrees to pay the Lessor as rent in advance the sum of \$800.00 per year for the first five (5) years of said lease and the sum of \$925.00 per year for the second five (5) years of said lease; the sum of \$1,050.00 per year for the third five (5) years of said lease; and the sum of \$1,175.00 per year for the fourth five (5) years of said lease; the first of said rental payments to be due on June 1, 1967, and yearly thereafter in advance during the term of this lease. Should the Lessee fail to pay the rents as they become due as aforesaid or violate any other conditions of this lease, the Lessor shall then have the right, at its option to re-enter said premises and annul this lease. And in order to entitle the Lessor to re-enter, it shall not be necessary to give notice of the rents becoming due and unpaid or to make any demand for the same, the execution of this lease, signed by the Lessee, which execution is sufficient notice of the rents being due and of the demand for the same, and shall be so construed, any law, usage or custom to the contrary notwithstanding.

Lessee agrees not to underlease said property nor transfer or assign this lease without the written consent of the Lessor, except to the Columbiana Industrial Development Corporation, and/or Small Business Administration and its assignees.

At the termination of this lease, the premises shall be returned to the Lessor in as good or better condition than as at the beginning of this lease, with the express understanding the Lessee shall not disturb, remove or otherwise dispose of any bricks or masonry on said premises situated thereon at the beginning of this lease. At the termination of this lease, the premises shall be returned to Lessor in reasonably as good or better condition, than as at beginning of term hereof, natural wear and tear excepted and subject to results of exercise of right of Lessor to remove slag therefrom

and rights of Lessor and Lessee, respectively, to remove timber, both as hereinabove provided. It is expressly understood that Lessee shall not disturb, remove or otherwise dispose of any bricks or masonry, situated within a radius of One Hundred (100) feet from center of smoke stack situated on parcel of land hereinabove excepted from this lease. Lessee is, however, expressly granted the right to remove, within 60 days after the termination of this lease, any and all buildings, structures and fixtures constructed or placed by it on the leased premises, provided that any such buildings, structures and fixtures not so removed by Lessee within 60 days after termination of lease as aforesaid, shall thereafter be and become the exclusive property of Lessor.

It is understood and agreed that the parties understand there is an antique brick smoke stack situated on the above described premises being excepted from this lease and the Lessor may, at its option, construct a durable and permanent fence around said smoke stack and Lessee agrees to take care that no damage whatsoever is done to said smoke stack. In the event Lessor constructs said fence around that portion of excepted property, Lessee will use all reasonable care to protect said fence.

It is understood and agreed that the Lessor owns no part of and has no interest in the business which the Lessee purports to operate on said premises and has no right or control over the operation of the same and the Lessor shall not be liable for damages caused to anyone by the Lessee in connection with the operation of the business which it purports to operate on said premises. It is especially understood and agreed that the Lessor shall not be liable for any smoke, cinder, fire or other damage caused by the Lessee in connection with the operation of its said business and the Lessee agrees to release, quit claim and forever hold the Lessor harmless from any claims for damages arising out of or in connection with said business.

Lessee hereby agrees that it will, throughout the term of this lease and any extension thereof, at its own cost and expense, maintain public liability insurance covering the premises, including the antique brick smoke stack mentioned above, for the protection of Lessor and Lessee as their interests may appear, with a limit of liability for property damage of not less than One Hundred Thousand Dollars (\$100,000.00), and with a limit of liability for bodily injury to or death of one person in an amount not less

than One Hundred Thousand Dollars (\$100,000.00), and subject to that limitation for every person injured and killed, a total limitation for all claims arising out of any one accident resulting in bodily injury to or death of more than one person of not less than Five Hundred Thousand Dollars (\$500,000.00). Lessee shall provide Lessor with a certificate or certificates evidencing such coverage, that Lessor and Lessee are covered by such policy or policies as their interests may appear, and that such policy or policies are non-cancellable without ten (10) days advance notice to Lessor. However, obligation of Lessee to provide insurance coverage on smoke stack shall cease if and when Lessor conveys, assigns or transfers such smoke stack or right of possession thereof or of access thereto to any other person, firm, association, agency or corporation, whatsoever, public, semi-public or private.

Lessee shall save and hold the Lessor harmless from all liabilities, charges, expenses (including counsel fees), and costs on account of all claims for damages and otherwise and/or suits for or by reason of any injury or injuries to any person or property of any kind whatsoever, whether the person or property of Lessee, its agents or employees or third persons, from any cause or causes whatsoever while in or upon or in proximity to said premises or any part thereof, occasioned by the occupancy, use or failure to maintain said premises or due to any breach of a covenant herein by Lessee.

Lessor and Lessee agree that neither shall be liable to the other for damage to the premises or to any of the contents of any building or buildings on said premises or to standing timber on such premises whether owned by Lessee or Lessor, by perils insured against by the party owning such damaged or destroyed property; as evidence of which the Lessor hereby waives any and all right of recovery from the Lessee for loss caused by the perils of fire and other perils included in the definition of extended coverage, and the Lessee hereby waives any and all right of recovery from the Lessor for loss caused by the perils of fire and other perils included in the definition of extended coverage.

It is further understood and agreed that the Lessor will be responsible for ad valorem taxes on the leased premises during the term of this lease, such taxes being based upon the present tax valuation of said property and the Lessor will also be responsible for any increased taxes on the land due to any increase in the tax rates on the present assessed valuation of such land, any increase in the taxes on said land resulting from the present valuations

being increased as well as any ad valorem taxes on improvements erected on said land by the Lessee, to be paid in full and become the responsibility of the Lessee. The Lessee shall, within 10 days after notice of payment, reimburse the Lessor for any taxes paid by the Lessor which, under the terms of this paragraph, are the responsibility of the Lessee.

In the event that the premises or any part thereof, subject to this lease should at any time be condemned or otherwise taken by public authority, then Lessor may, at its option, terminate this lease without liability to the Lessee for damage to the unexpired term of the leasehold.

In the event of the employment of an attorney by the Lessor on account of violation of any of the conditions of this lease, by the Lessee, the Lessee agreed that it shall be taxed with said attorney's fees and cost of court, if any incurred.

In Testimony Whereof, the said Lessor and said Lessee by its proper officers who are authorized to execute this lease have hereto set the signature and seals of said Lessor and Lessee, this the 19th day of March 1968.

Attest:

[Signature]

Attest:

Margaret Lewis
N. Dent, Sec.

LESSOR

GULF STATES PAPER CORPORATION

By [Signature]
As President

LESSOR

CARPENTER, INCORPORATED

[Signature]
President

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1969 JUL 11 AM 11:54
U.C.C. FILE NUMBER OR
REC. BK. & PAGE AS SHOWN ABOVE
Carroll M. Jenkins
JUDGE OF PROBATE