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LEASE AGREEMENT
BETWEEN
THE INDUSTRIAL DEVELOPMENT BOARD
OF THE TOWN OF PELHAM
AND
JOHN B. WOOD, JR.

INDEX

Page

ARTICLE I

DEFINITIONS, REPRESENTATIONS AND DEMISE CLAUSE

Section 1.1	Definitions.	I-1
Section 1.2	Representations by the Lessor.	I-4
Section 1.3	Representations by the Lessee.	I-4
Section 1.4	Demise of the Project.	I-5

ARTICLE II

ACQUISITION OF THE PROJECT

Section 2.1	Agreement to Acquire	II-1
Section 2.2	No Warranty of Suitability by Lessor	II-2
Section 2.3	Lessor to Pursue Remedies Against Contractors and Subcontractors and Their Sureties	II-2
Section 2.4	Agreement to Issue Bonds; Application of Bond Proceeds	II-3
Section 2.5	Disbursements from the Construction Fund	II-3
Section 2.6	Investment of Construction Fund and Bond Fund Moneys	II-3
Section 2.7	Completion of the Project.	II-4

ARTICLE III

DURATION OF LEASE TERM
AND RENTAL PROVISIONS

Section 3.1	Duration of Term	III-1
Section 3.2	Rental Provisions.	III-1
Section 3.3	Obligations of Lessee Unconditional.	III-2

ARTICLE IV

MAINTENANCE, TAXES AND INSURANCE

Section 4.1	Maintenance, Alterations and Improvements.	IV-1
Section 4.2	Taxes, Other Governmental Charges and Utility Charges.	IV-2
Section 4.3	Insurance.	IV-2
Section 4.4	Advances by Lessor or Trustee.	IV-3
Section 4.5	Indemnity of Lessor.	IV-4

ARTICLE V

PROVISIONS RESPECTING DAMAGE,
DESTRUCTION AND CONDEMNATION

Section 5.1	Damage and Destruction	V-1
Section 5.2	Condemnation	V-2
Section 5.3	Condemnation of Lessee-Owned Property.	V-3

See Release Miss Book 527 page 423 (9-1-83)
BOOK 335 PAGE 631

ARTICLE VI

CERTAIN PROVISIONS RELATING TO ASSIGNMENT,
SUBLEASING, MORTGAGING AND THE BONDS

Section 6.1	Provisions Relating to Assignment and Subleasing.	VI-1
Section 6.2	Mortgaging of Project by Lessor	VI-1
Section 6.3	Restrictions on Mortgage or Sale of Project	VI-1
Section 6.4	Prepayment of Rent.	VI-2
Section 6.5	Redemption of Bonds	VI-2
Section 6.6	References to Bonds Ineffective After Bonds Paid.	VI-2

ARTICLE VII

PARTICULAR COVENANTS OF THE LESSEE

Section 7.1	General Covenants	VII-1
Section 7.2	Inspection of Project	VII-1
Section 7.3	Special Covenants	VII-1

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1	Events of Default Defined	VIII-1
Section 8.2	Remedies on Default	VIII-1
Section 8.3	No Remedy Exclusive	VIII-2
Section 8.4	Agreement to Pay Attorneys' Fees and Expenses.	VIII-2
Section 8.5	No Additional Waiver Implied by One Waiver.	VIII-2

ARTICLE IX

OPTIONS

Section 9.1	Options to Terminate.	IX-1
Section 9.2	Option to Purchase Project Prior to Payment of the Bonds	IX-1
Section 9.3	Option to Purchase the Project After Payment of Bonds	IX-2
Section 9.4	Option to Purchase Unimproved Leased Realty.	IX-2
Section 9.5	Conveyance on Exercise of Option to Purchase.	IX-3
Section 9.6	Use of Party Walls.	IX-4
Section 9.7	Release of Unimproved Leased Realty	IX-4

ARTICLE X

INTERNAL REVENUE CODE, SECTION 103

Section 10.1	Covenants Regarding Section 103(c) of Internal Revenue Code	X-1
Section 10.2	Obligation of Lessee if Interest On Bonds Becomes Taxable	X-1

BOOK 335 PAGE 632

ARTICLE XI

EQUIPMENT

Section 11.1	Identification of Equipment.	XI-1
Section 11.2	Installation of New Equipment.	XI-1
Section 11.3	Obsolete or Worn Out Equipment	XI-1

ARTICLE XII

MISCELLANEOUS

Section 12.1	Covenant of Quiet Enjoyment.	XII-1
Section 12.2	This Lease a Net Lease	XII-1
Section 12.3	Prior Agreements Cancelled	XII-1
Section 12.4	Lessor's Liabilities Limited	XII-1
Section 12.5	Execution Counterparts	XII-1
Section 12.6	Binding Effect	XII-1
Section 12.7	Amendments	XII-1
Section 12.8	Severability	XII-1
Section 12.9	Article and Section Captions	XII-2
Section 12.10	Notices.	XII-2
TESTIMONIUM		XII-2
SIGNATURES.		XII-2
ACKNOWLEDGMENTS		XIII-1

STATE OF ALABAMA)

SHELBY COUNTY)

This LEASE AGREEMENT dated as of October 1, 1981, between THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF PELHAM, a public corporation and instrumentality organized under the laws of the State of Alabama, party of the first part, and JOHN B. WOOD, JR., party of the second part,

W I T N E S S E T H:

In consideration of the mutual covenants and agreements hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to-wit:

ARTICLE I

DEFINITIONS, REPRESENTATIONS AND DEMISE CLAUSE

Section 1.1 Definitions. The following words, terms or phrases, when used in this Lease Agreement, have the following meanings respectively, unless the context clearly indicates a different meaning:

"Act" means Act No. 648 enacted by the 1949 Regular Session of the Legislature of Alabama, as amended (appearing as Code of Ala. 1975, § 11-54-80 thru § 11-54-101).

"Additional Bonds" means any Bonds issued pursuant to Section 203 of the Indenture.

"Basic Rent" means that portion of the rent payable hereunder in amounts and at times sufficient to pay the principal of, premium, if any, and interest on the Bonds.

"Bonds" means the Bonds of the Lessor issued, authenticated and delivered from time to time under the Indenture.

"1981 Bond" means the Bond of the Lessor issued pursuant to the Indenture consisting of a single registered Bond in the principal amount of \$150,000; bearing interest on the outstanding principal balance from the date of issuance thereof at the per annum rate equal to 75% of the average daily prime rate of interest as announced from time to time by Birmingham Trust National Bank at its principal office in Birmingham, Alabama (the "Prime Rate"), determined quarterly on January 1, April 1, July 1 and October 1 of each year and applied to the three immediately preceding months. Principal and interest shall be payable in 144 monthly installments of \$2,155.68 each, payable on the first day of each month beginning on November 1, 1981, and ending on October 1, 1993. Principal shall be amortized according to the amortization schedule (\$150,000 principal; 144 payments; 14% interest) attached hereto as Exhibit A, and interest will be adjusted (underpayment to be billed with payment thereof being due within 15 days; overpayments to be credited to the next monthly installments) on January 1, April 1, July 1 and October 1 of each year for the difference between 14% interest and 75% of the Prime Rate. applicable for the preceding 3 months.

335 PAGE 634

BOOK

"Bond Fund" means the Bond Fund created in the Indenture.

"Building" means that certain building and all other structures and improvements which are required by this Lease Agreement to be constructed on the Leased Realty, as they may at any time exist.

"City" means the Town of Pelham, Alabama. The words "City" and "Town" are used interchangeably in this agreement.

"Code" means the Internal Revenue Code of 1954, as amended.

"Construction Fund" means the Construction Fund created in the Indenture.

"Equipment" means all items of machinery, equipment and tangible personal property to be acquired and installed in the Building or upon the Leased Realty and any item of machinery, equipment or tangible personal property acquired in substitution therefor or as a renewal or replacement thereof pursuant to the provisions hereof.

"Government Obligations" means (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person or organization controlled, or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of, premium, if any, and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation by the United States of America.

"Guarantor" means any person, firm or corporation that may enter into any Guaranty Agreement guaranteeing the performance of all or any of the agreements of the Lessee under this Lease Agreement, or the payment of the principal, interest and premium, if any, on the Bonds.

"Indenture" means the Mortgage, Security Agreement and Indenture of Trust between the Lessor and the Bank therein named as Trustee of even date herewith, pursuant to which (i) the Bonds have been issued and (ii) the Lessor's interest in this Lease Agreement and the rents and other revenues received by the Lessor from the Project, as well as the Project itself, are pledged and conveyed as security for the payment of principal of and interest on the Bonds, including any indenture supplemental thereto.

"Independent Counsel" means an attorney or firm of attorneys duly admitted to practice law in any state of the United States and not in the full-time employment of either the Lessor or the Lessee.

"Independent Engineer" means an engineer or engineering firm registered and qualified to practice the profession of engineering under the laws of the State and not in the full-time employment of either the Lessor or the Lessee.

"Lease Agreement" means these presents and all supplements and amendments hereto.

"Lease Term" means the duration of the leasehold estate created in this Lease Agreement and any renewal thereof as provided herein.

"Leased Realty" means the following described real estate and interests therein less any such real estate, interests in real estate and other rights as may be released from this Lease Agreement pursuant to the provisions hereof or taken by the exercise of the power of eminent domain, to-wit:

A parcel of land located in the SW 1/4 of SE 1/4, Section 19, Township 20 South, Range 2 West, and lying South and East of Shelby County Highway #11 being more particularly described as follows: Begin at the Southeast corner of the SW 1/4 of SE 1/4, Section 19, Township 20 South, Range 2 West and run North along the East boundary line of said quarter-quarter Section a distance of 850 feet, more or less, to a point on the Southeast 40 foot right-of-way line of County Highway #11; thence run in a Southwesterly direction along said 40 foot right-of-way line a distance of 1060 feet, more or less, to a point on the South boundary line of said quarter-quarter Section; thence run East along said boundary line a distance of 625 feet more or less, to the point of beginning, containing 6 acres, more or less.

Subject to outstanding mineral rights and all easements and rights-of-way of record.

"Lessee" means (i) the party of the second part hereto and his heirs and assigns. Forms of the pronouns he and it will both be used herein to refer to Lessee.

"Lessor" means (i) the party of the first part hereto, and its successors and assigns and (ii) any public corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Net Proceeds", when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all reasonable expenses (including reasonable attorneys' fees and any extraordinary fee of the Trustee) incurred in the collection of such gross proceeds.

"Plant" means the Building and Equipment.

"Project" means the Leased Realty, the Building and the Equipment acquired with proceeds from the sale of the Bonds or the proceeds of any payment by the Lessee pursuant to the provisions hereof as such Leased Realty, Building and Equipment may at any time exist.

"Project Costs" means those costs for which payment is specified in this Lease Agreement.

"Project Supervisor" means the project manager who at the time shall have been designated by the Lessee as such pursuant to the provisions hereof.

"State" means the State of Alabama.

"Town" means the City of Pelham, Alabama. The words "Town" and "City" are used interchangeably in this Lease Agreement.

"Trustee" means the trustee at the time serving as such under the Indenture.

"Unimproved" when used with reference to the Leased Realty means any part or parts of the Leased Realty upon the surface of which no part of a building or other structure rests.

Section 1.2 Representations by the Lessor. The Lessor makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Lessor is duly incorporated under the provisions of the Act. Under the provisions of the Act the Lessor has the power to enter into the transactions contemplated by this Lease Agreement and to carry out its obligations hereunder. The Project constitutes and will constitute a "project" within the meaning of the Act. The Lessor is not in default under any of the provisions contained in its Certificate of Incorporation, by-laws, or in the laws of the State. By proper corporate action the Lessor has duly authorized the execution and delivery of this Lease Agreement.

(b) The Lessor has been induced to enter into this Lease Agreement by Lessee's promise either to locate a new manufacturing, industrial or commercial enterprise in the State or to enlarge and expand an existing manufacturing, industrial or commercial enterprise in the State.

(c) The Lessor has determined that the issuance of the Bonds as described in the Indenture, the acquisition, improvement and construction of the Project and the leasing of same to the Lessee are in furtherance of the objects and purposes of the Lessor and of the Act under which the Lessor was incorporated and will promote industry, develop trade and further the use of agricultural products and natural resources of the State by inducing a manufacturing, industrial and commercial enterprise to establish a new project in this State, or to enlarge and expand an existing project located in this State, or both.

Section 1.3 Representations by the Lessee. The Lessee makes the following representations as the basis for the undertakings on his part herein contained:

(a) The leasing by the Lessor of the Project to the Lessee will induce the Lessee to establish a new project or enlarge and expand an existing project in this State as provided in the Act.

(b) The Lessee intends to operate the Project for the manufacture, processing, storing, warehousing, distributing and sale of (i) steel wire or (ii) such other products of agriculture, mining and industry as the Lessee may deem appropriate.

Section 1.4 Demise of the Project. The Lessor demises and leases to the Lessee, and the Lessee leases from the Lessor, the Project in accordance with the provisions of this Lease Agreement and upon and subject to the terms, conditions and provisions of this Lease Agreement to each of which the Lessor and the Lessee and each of them do hereby separately and severally covenant and agree.

[The next provision of this Lease is
Article II]

ARTICLE II

ACQUISITION OF THE PROJECT

Section 2.1 Agreement to Acquire. Promptly following the issuance and sale of the 1981 Bond and out of the principal proceeds derived therefrom, the Lessor will acquire the Leased Realty (unless it has already been acquired by Lessor), will construct thereon the Building and will acquire and install thereon the Equipment in accordance with plans and specifications therefor furnished to the Lessor by the Lessee, a copy of which plans and specifications the Lessee shall also file with the Trustee. The Lessor will make only such changes in the plans and specifications as may be requested in writing by the Lessee. The Lessee may from time to time amend such plans and specifications in any manner desired by it, subject to the provisions of Section 2.2 hereof, by furnishing changed plans and specifications to the Lessor with a copy to the Trustee. The Lessor will enter into, or accept the assignment of, such contracts as the Lessee may request in order to effectuate the purposes of this Section but it will not execute any other contract or give any order for such construction or for the purchase of material, supplies or equipment unless and until the Lessee shall have approved the same in writing.

The Lessor will commence the construction of the Building and the acquisition and installation of the Equipment as promptly as practicable, will continue said construction and equipping with all reasonable dispatch and will use its best efforts to cause the same to be completed as soon as practicable.

If, after the exercise of due diligence by the Lessor, it is impossible for the Lessor to construct any part of the Building which the Lessee duly requests the Lessor so to construct or to purchase or install any item of Equipment which the Lessee hereby requests the Lessor to purchase and install, the Lessor will notify the Lessee and Trustee in writing and the Lessee (a) will withdraw or modify the request in question, or (b) will itself effect the construction, purchase or installation so requested, for and in the name and on behalf of the Lessor, in which case the Lessee shall be entitled to reimbursement from the Construction Fund for the costs incurred by it in effecting such construction, purchase or installation.

The Lessor and the Lessee shall from time to time each appoint by written instrument filed with the Trustee an agent or agents authorized to act for each respectively in any or all matters relating to the construction and equipping of the Building and payments out of the Construction Fund. One of the agents appointed by the Lessee shall be designated its "Project Supervisor". Either the Lessor or the Lessee may from time to time, by written notice also filed with the Trustee, revoke, amend or otherwise limit the authorization of any agent appointed by it to act on its behalf and designate another agent or agents to act on its behalf, provided that there shall be at all times at least one agent authorized to act on behalf of the Lessor, and at least one agent (who shall be the Project Supervisor) authorized to act on behalf of the Lessee, with reference to all the foregoing matters.

The Lessor shall cause payments to be made from the Construction Fund during the acquisition, construction and equipping of the Project, for the improvement of land, the acquisition, construction and reconstruction of property of a character subject to the allowance for depreciation,

BOOK 335 PAGE 639

and for any other capital costs of the Project, including expenses incurred in connection with the issuance, sale and delivery of the Bonds, and including reimbursements to the Lessee for funds advanced to the Lessor or expended by the Lessee for such purpose but only upon the written approval of the Lessee and subject to the requirements of the Indenture with respect to withdrawals from the Construction Fund. In the event that, after reasonable request made to the Lessor by the Lessee, the Lessor fails or refuses to issue or execute a payment requisition from the Construction Fund for payment of any item that may under the terms of this Lease Agreement be paid from the Construction Fund including reimbursement to the Lessee as aforesaid, the Project Supervisor then designated by the Lessee, who is hereby irrevocably appointed as agent for the Lessor for such purposes may issue and execute, also for and in the name and behalf of the Lessor and without any approval of any officer, employee or other agent thereof, such payment requisition on the Construction Fund.

Section 2.2 No Warranty of Suitability by Lessor.

The Lessee recognizes that since the plans and specifications for constructing and equipping the Building have been prepared to its order, and that since the Equipment has been and is to be selected by it, the Lessor can make no warranty, either express or implied, or offer any assurances that the Building or the Equipment will be suitable for the Lessee's purposes or needs or that the proceeds derived from the sale of the Bonds will be sufficient to pay in full all the Project Costs.

The Lessee will not approve, or permit to be approved on its behalf, any payment out of moneys in the Construction Fund, if as a result of such payment, less than substantially all of the proceeds of the Bonds would be considered as having been used for the acquisition, construction, reconstruction, or improvement of land or property of a character subject to the allowance for depreciation within the meaning of Section 103(b)(6) of the Code.

Section 2.3 Lessor to Pursue Remedies Against Contractors and Subcontractors and Their Sureties. In the event of default of any contractor or subcontractor under any contract made by it in connection with the Project, the Lessor will promptly proceed (subject to the Lessee's advice to the contrary and at the Lessee's sole cost and expense), either separately or in conjunction with others, to exhaust the remedies of the Lessor against the contractor or subcontractor so in default and against his surety, if any, for the performance of such contract. The Lessor will advise the Lessee of the steps it intends to take in connection with any such default. If the Lessee shall so notify the Lessor, the Lessee may, in its own name or in the name of the Lessor, prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor or surety which the Lessee deems reasonably necessary, and in such event the Lessor will cooperate fully with the Lessee and will take all action necessary to effect the substitution of the Lessee for the Lessor in any such action or proceeding. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing prior to the completion of the Project shall, after payment of all costs and expenses including reasonable attorney's fees incurred in connection with the foregoing, be paid into the Construction Fund and after the completion of the Project shall be paid into the Bond Fund.

Upon completion of the Project or at any time prior thereto upon the request of the Lessee, so long as it

is not in default hereunder, the Lessor will assign to the Lessee all warranties and guaranties of all contractors, subcontractors, suppliers, architects and engineers for the furnishing of labor, materials or equipment or for supervision or design in connection with the Project and any rights or causes of action against any of the foregoing.

Section 2.4 Agreement to Issue Bonds; Application of Bond Proceeds. In order to provide funds for payment of the costs of the acquisition, construction and installation provided for in Section 2.1 hereof, the Lessor will proceed as promptly as practicable with the issuance and sale of the 1981 Bond and in the aggregate principal amount of \$150,000 bearing interest, maturing and having the other terms and provisions set forth in the Indenture.

Upon the request of the Lessee, if Lessee is not in default hereunder, the Lessor may issue and sell one or more series of Additional Bonds pursuant to the Indenture to pay the cost of completing the Project, the costs of additions, modifications or improvements to the Project, or the costs of additions, modifications or improvements to other properties of the Lessee located within the geographical area of operation of the Lessor in Shelby County, Alabama, as the Lessee may deem necessary or desirable, provided that (a) in the opinion of counsel recognized on the subject of municipal bonds, which opinion shall be in writing and filed with the Trustee and the Lessor, the interest on such additional series of Bonds shall be exempt from Federal income tax within the limitations of Section 103(b)(6) of the Code, and the regulations issued pursuant thereto, and the interest on the 1981 Bond will continue to be exempt from Federal income tax within the limitations of Section 103(b)(6) of the Code, and the regulations issued pursuant thereto, (b) the terms of such additional series of Bonds are approved in writing by the Lessee, (c) the Lessor and the Lessee enter into any amendment to this Lease Agreement necessary or desirable in connection with the issuance of such additional series of Bonds, and (d) the Lessor complies with all other provisions of Section 203 of the Indenture with respect to the issuance of such additional series of Bonds.

Section 2.5 Disbursement from the Construction Fund. The Lessor will in the Indenture authorize and direct the Trustee to use the moneys in the Construction Fund, together with any earnings from investment of such moneys, to pay the Project Costs, and otherwise in accordance with Section 2.7 hereof.

Section 2.6 Investment of Construction Fund and Bond Fund Moneys. Any moneys held as a part of the Construction Fund or the Bond Fund shall to the extent practicable be invested or reinvested by the Trustee, pursuant to the direction of the Lessee, in (i) Government Obligations, (ii) any other investments, to the extent then permitted by law, (iii) Certificates of Deposit of any bank or trust company, including the Trustee, organized under the laws of the United States or any state thereof, which have a combined capital and surplus of at least \$5,000,000, or (iv) repurchase agreements issued by the Trustee, which are secured by investments listed in (i) or (ii) of this Section. For the purposes of this Lease Agreement and the Indenture, any certificates of deposit issued by the Trustee or purchased by the Trustee shall be deemed to be investments and not trust deposits. The Trustee may make any and all such investments through its own Bond Department.

Section 2.7 Completion of the Project. If the Construction Fund shall be insufficient to pay fully all sums required to construct the Building and to acquire and install the Equipment, the Lessee shall be obligated to complete the acquisition and construction of the Project at its own expense and the Lessee shall pay any such deficiency by making payments directly to the construction contractor or contractors or the suppliers of materials and equipment as the same shall become due or the Lessee shall pay into the Construction Fund the moneys necessary to complete the Project in which case the Lessor will proceed to complete the Project and the cost thereof will be paid from the Construction Fund. The Lessee shall save the Lessor whole and harmless from any obligation to pay any amount in excess of the money available therefor in the Construction Fund. The Lessee shall not by reason of the payment of such excess costs from its own funds (whether by direct payment thereof or payment into the Construction Fund) be entitled to any diminution in the payment of the rents hereunder.

The completion of the Project shall be evidenced to the Trustee by a certificate signed by the Project Supervisor stating that (i) construction and equipping of the Building have been completed in accordance with the specifications therefor and all labor, services, materials and supplies used in connection therewith have been paid for and (ii) all other facilities necessary in connection with the Project have been constructed, acquired and installed in accordance with the specifications therefor and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. The Lessor and the Lessee will cooperate one with the other in causing such certificate to be furnished to the Trustee.

All moneys remaining in the Construction Fund on completion of the Project shall at the direction of the Lessee be (i) used by the Trustee for purchase of Bonds for cancellation, at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of delivery, (ii) paid into the Bond Fund or (iii) a combination of (i) and (ii) as is provided in such direction.

[The next provision of this Lease
is Article III]

ARTICLE III

DURATION OF LEASE TERM
AND RENTAL PROVISIONS

Section 3.1 Duration of Term. The term of this Lease Agreement and of the lease herein made shall begin on the date of the sale and delivery of the Bond and, subject to the provisions of this Lease Agreement, shall continue until midnight of September 30, 1993. The Lessor will deliver to the Lessee possession of the Project on the commencement date of the Lease Term, subject to the inspection and other rights reserved in this Lease Agreement; provided, however, the Lessor will be permitted such possession of the Project as shall be necessary and convenient for it to construct the Building and install the Equipment; and provided further, the Lessor will be permitted such possession of the Project as shall be necessary and convenient for it to construct or install any additions or improvements and to make any repairs or restorations required or permitted to be constructed, installed or made by the Lessor pursuant to the provisions hereof.

Section 3.2 Rental Provisions. Basic Rent shall be payable in amounts sufficient to pay the principal of, premium, if any, and interest on the Bond as the same become due and payable, whether by acceleration, call for redemption or otherwise. The Lessee does hereby covenant and agree to pay to the Trustee in immediately available funds for the benefit of the Lessor Basic Rent in monthly installments as follows:

(a) Beginning November 1, 1981, and continuing on the 1st day of each month thereafter, to and including October 1, 1993, an amount equal to the interest coming due on the 1981 Bond on such interest payment date, plus

(b) Beginning November 1, 1981, and continuing on the 1st day of each month thereafter to and including October 1, 1993, an amount equal to the principal installment due on the 1981 Bond.

Any installment of Basic Rent not paid on the due date thereof shall bear interest until paid at the per annum rate equal to 2% over the Prime Rate (as defined hereinabove in Section 1.1 under "1981 Bond"). All Basic Rent payments shall be made directly to the Trustee for the account of the Lessor and shall be deposited in the Bond Fund.

If at any rental payment date the balance in the Bond Fund is insufficient to make required payments of principal and/or interest on such date, the Lessee will forthwith pay any such deficiency; provided, that any amount held by the Trustee in the Bond Fund on a rental payment date shall be credited against Basic Rent required to be paid by the Lessee on such rental payment date to the extent such amount is in excess of the amount required for payment of the principal of and premium, if any, on the installments theretofore matured or called for redemption and all past due interest; and provided further, that if at any time the amount held by the Trustee in the Bond Fund should be sufficient to pay at the times required all the principal, interest due and to become due and premium, if any, on the Bond then remaining unpaid, the Lessee shall not be obligated to make any further Basic Rent payments under the provisions of this Section but this provision shall not affect the other obligations of the Lessee under this Lease Agreement.

The Lessee shall also pay as additional rent to the Trustee commencing with the completion of the Project or

prior thereto if the moneys in the Construction Fund available therefor are insufficient, and continuing until the principal of, premium, if any, and interest on the Bond shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) an amount equal to the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture, as and when the same becomes due, (ii) the reasonable fees and charges of any person or organization, including the Trustee, for acting as paying agent or bond registrar for the Bond, as provided in the Indenture, as and when the same become due, (iii) the cost of printing Bond, and (iv) the reasonable fees and charges of the Trustee for extraordinary services rendered by it and extraordinary expenses incurred by it under the Indenture, as and when the same become due; provided, that the Lessee may, without creating a default hereunder, contest in good faith the necessity for any such extraordinary services and extraordinary expenses and the reasonableness of any such fees, charges or expenses.

Section 3.3 Obligations of Lessee Unconditional.

The obligation of the Lessee to pay the Basic Rent, to make all other payments provided for herein and to perform and observe the other agreements and covenants on its part herein contained shall be absolute and unconditional, irrespective of any rights of setoff, recoupment or counterclaim it might otherwise have against the Lessor. The Lessee will not suspend or discontinue any such payment or fail to perform and observe any of its other agreements and covenants contained herein or terminate this Lease Agreement for any cause whatsoever, including, without limiting the generality of the foregoing, failure of the Lessor to complete the Project, any acts or circumstances that may constitute an eviction or constructive eviction, failure of consideration or commercial frustration of purpose, or any damage to or destruction of the Project, or the taking by eminent domain of title to or the right to temporary use of all or any of the Project, or any change in the tax or other laws of the United States of America, of the State or any political subdivision of either thereof, or any failure of the Lessor to perform and observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Lease Agreement. Notwithstanding the foregoing, the Lessee may, at its own cost and expense and in its own name or in the name of the Lessor, prosecute or defend any action or proceeding, or take any other action involving third persons which the Lessee deems reasonably necessary in order to secure or protect its rights of use and occupancy and the other rights hereunder. The provisions of the first and second sentences of this section shall apply only so long as any part of the principal of and interest on the Bond remains outstanding and unpaid. Nothing contained herein shall be construed to be a waiver of any rights which the Lessee may have against the Lessor under this Lease Agreement or under any provision of law.

[The next provision of this Lease
is Article IV]

ARTICLE IV

MAINTENANCE, TAXES AND INSURANCE

Section 4.1 Maintenance, Alterations and Improvements. (a) The Lessee will, at its own expense, (i) keep the Project in as reasonably safe condition as its operations permit, and (ii) keep the Project in good order and repair, and from time to time make all needful and proper repairs, renewals and replacements thereto, including external and structural repairs, renewals and replacements. The Lessee agrees to pay all gas, electric, light and power, water, sewer and all other charges for the operation, maintenance, use and upkeep of the Project. In lieu of making such repairs, renewals and replacements, the Lessee may, if it so desires, furnish to the Lessor the funds necessary therefor, in which case the Lessor will proceed to make such repairs, renewals and replacements.

(b) The Lessee may, also at its own expense, make any additions, improvements or alterations to the Project that it may deem desirable for its business purposes, provided that such additions, improvements or alterations do not adversely affect the value or utility of the Project or its character as a "project" under the Act. In lieu of making such additions, improvements or alterations itself, the Lessee may, if it so desires, furnish to the Lessor the funds necessary therefor, in which case the Lessor will proceed to make such additions, improvements or alterations.

(c) All such additions, improvements and alterations made by the Lessee or the Lessor shall become a part of the Project and shall be covered by the Indenture; provided, however, that any equipment, furniture, or fixtures installed on the Project by the Lessee or by the Lessor, with funds furnished by the Lessee, and not constituting replacements or renewals of Equipment, furniture or fixtures constituting a part of the Project may be removed by the Lessee at any time and from time to time while it is not in default under the terms of this Lease Agreement; and provided further, that any damage to the Project occasioned by such removal shall be repaired by the Lessee at its own expense. The Lessee will not permit any mechanic's or other liens to stand against the Project for labor or material furnished it in connection with any additions, improvements, alterations, or repairs so made by it. The Lessee may, however, in good faith contest any such mechanic's or other liens and in such event may permit any such liens to remain unsatisfied and undischarged during the period of such contest and any appeal therefrom unless by such action the lien of the Indenture on the Project or any part thereof, or the Project or any part thereof shall be subject to loss or forfeiture, in either of which events such mechanic's or other liens shall be promptly satisfied.

(d) The Lessee may, also at its own expense, connect or "tie-in" walls and utility and other facilities located on the Leased Realty to other facilities owned or leased by it on real property adjacent to the Leased Realty or partly on such adjacent real property and partly on the Leased Realty but only if the Lessee furnishes the Lessor and the Trustee a certificate of an Independent Engineer that such connection and "tie-in" of walls and facilities will not unreasonably interfere with the operation of the Project.

(e) The Lessor will also, upon request of the Lessee, grant such utility and other similar easements over, across or under the Leased Realty as shall be necessary or convenient for the furnishing of utility and other similar services to real property adjacent to or near the Leased Realty and owned or leased by the Lessee, provided that such easements shall not adversely affect the operations of any facilities forming a part of the Project.

BOOK 335 PAGE 646

Section 4.2 Taxes, Other Governmental Charges and Utility Charges. The Lessor and the Lessee acknowledge (a) that under present law no part of the Project owned by the Lessor will be subject to ad valorem taxation by the State or by any political or taxing subdivision thereof and that under present law the income and profits (if any) of the Lessor from the Project are not subject to either Federal or State taxation, and (b) that these factors, among others, induce the Lessee to enter into this Lease Agreement. However, the Lessee will pay, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any machinery, equipment or other property installed or brought by the Lessee onto the Leased Realty (including, without limiting the generality of the foregoing, any taxes levied on or with respect to the income or profits of the Lessor from the Project which, if not paid, will become a lien on the Project prior to or on a parity with the lien of the Indenture or a charge on the revenues and receipts from the Project prior to or on a parity with the charge thereon and pledge or assignment thereof created and made in the Indenture and including any ad valorem taxes assessed upon Lessee's interest in the Project), all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and all assessments and charges lawfully made by any governmental body for public improvements that may be secured by lien on the Project, provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are required to be paid during the Lease Term. The foregoing provisions of this section shall be effective only so long as any part of the principal of or the interest on the Bonds remains outstanding and unpaid.

The Lessee may, at its own expense and in its own name and behalf or in the name and behalf of the Lessor, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless by such action the title of the Lessor to any part of the Project shall be materially endangered or the Project or any part thereof shall become subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid forthwith by the Lessee. The Lessor will cooperate fully with the Lessee in any such contest.

Section 4.3 Insurance. (a) The Lessee will cause the Project to be insured and at all times keep the Project insured, even during the construction thereof, against loss and/or damage to the Project by fire and other perils customarily covered by the extended coverage clause of fire insurance policies. The Lessee will pay all premiums on such insurance. All such policies shall be for the benefit of the Lessee and for the benefit of the Lessor and the Trustee and shall contain standard mortgage clauses

requiring all proceeds of insurance resulting from any claim in excess of \$25,000 for loss or damage covered thereby to be paid to the Trustee; provided, however, that all claims regardless of amount may be adjusted by the Lessee with the insurers, subject to the approval of the Trustee as to settlement of any claim in excess of \$25,000. Any such insurance policy or policies may, at the Lessee's option, contain a deductible clause of \$5,000 or such other deductible clause as the Lessee or any sublessee may use in insuring the majority of its domestic properties. All such insurance policies shall be taken out and maintained in generally recognized responsible insurance companies, each of which is qualified and authorized to assume the respective risks undertaken, and shall be in the amount of (i) the full insurable value of the Project, or (ii) the amount required to pay the principal of and interest on the Bonds as they mature and come due, whichever is less. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Trustee. In lieu of depositing the policy or policies of insurance with the Trustee, the Lessee may deposit or cause to be deposited with the Trustee a certificate or certificates of the respective insurers attesting the fact that such insurance is in force and effect. Prior to the expiration or cancellation of any such policy, the Lessee will furnish or cause to be furnished the Trustee satisfactory evidence that such policy has been renewed or replaced by another policy. The Lessee or any sublessee may insure under a blanket insurance policy or policies, and in the event the insurance coverage is by such blanket insurance coverage, it shall be sufficient to furnish to the Trustee a certificate or duplicate copy of each such blanket policy of insurance.

(b) The Lessee shall also take out or cause to be taken out and at all times maintain and pay or cause to be paid the premium on policies of public liability insurance in generally recognized, responsible insurance companies, each of which is qualified to assume the risks, for the benefit of the Trustee, the Lessor, the Lessee and any sublessee as their interests may appear, against liability for injuries to persons and property or death or accidental injuries arising out of the occupancy, use or operation of the Project, in the minimum amount of \$100,000 liability to any one person for personal injury or death, \$500,000 liability for all personal injury and death in any one accident and \$100,000 liability for property damage in any one accident, and also public liability insurance in the aforesaid respective amounts with respect to each vehicle, including any vehicle constituting a part of the Project and any Lessee-owned or sublessee owned vehicle used in connection with the Project. Such insurance shall be provided from the date any of the Bonds are sold and delivered by the Lessor and shall be effective while the Project is being constructed as well as thereafter and during the entire term of the Lease Agreement. The insurance policies or certificates evidencing the same shall be filed with the Trustee so long as any of the Bonds shall be outstanding and thereafter with the Lessor. Such policies or certificates shall be filed with the Trustee on or before the delivery and sale of any of the Bonds. Such insurance may also be provided under a blanket insurance policy or policies as hereinabove provided.

Section 4.4 Advances by Lessor or Trustee. In the event that the Lessee fails to take out or maintain or cause to be maintained the full insurance coverage required by this Lease Agreement, fails to pay the taxes and other

charges required to be paid by the Lessee at or prior to the time they are required to be paid, or fails to keep the Project in as reasonably safe condition as its operating conditions permit and the Building and Equipment in good order and repair, the Lessor or the Trustee, after first notifying the Lessee of any such failure on its part, may (but shall not be obligated to) take out the required policies of insurance and pay the premiums on the same, pay such taxes or other charges, or make such repairs, renewals and replacements as may be necessary to maintain the Project in as reasonably safe condition as the Lessee's operations permit and the Building and Equipment in good order and repair, respectively; and all amounts so advanced therefor by the Lessor or the Trustee shall become an additional obligation of the Lessee to the Lessor or to the Trustee, as the case may be, which amounts, together with interest thereon at the per annum rate of 2% over the Prime Rate (as defined hereinabove in Section 1.1 under "1981 Bond") from the date thereof, the Lessee will pay. Any remedy herein vested in the Lessor or the Trustee for the collection of the rental payments shall also be available to the Lessor and the Trustee for the collection of all such amounts so advanced.

Section 4.5 Indemnity of Lessor. The Lessor shall not be liable for any damage or personal injury to the Lessee, its officers, employees or the public, caused by or growing out of any breakage, leakage, disorder, or defective condition of any water or sewer pipe, toilets, plumbing, electric wires, gas pipes, fixtures, apparatus, or connections, or machinery or equipment or any of them, on the Leased Realty, or caused by or growing out of any defects in the Project or any part thereof, even if such defect occurred or existed prior to the delivery of possession of the Leased Realty and the Project to the Lessee. The Lessee shall save the Lessor harmless from any action, suit, judgment or liability against the Lessor on account of any defects in the condition of the Project for any personal injury or property damage occasioned or claimed to have been occasioned thereon or thereby and shall defend the Lessor against all such claims at the Lessee's expense. In addition, in the event any contractor or subcontractor or furnisher of labor or materials under any contract or purchase order with respect to the Project shall institute legal proceedings alleged to arise thereunder or with respect thereto, the Lessee shall indemnify and hold the Lessor harmless against all claims asserted in such proceedings including any reasonable expenses (including attorney's fees) incurred by the Lessor in connection with the defense of any such claims. The Lessor shall promptly notify the Lessee of any and all such claims and shall cooperate with the Lessee in the defense thereof. Failure of the Lessor to notify the Lessee of any such claim within time to permit the Lessee to defend against such claim will release the Lessee of the liability to defend against such claim.

[The next provision of this Lease
is Article V]

ARTICLE V

PROVISIONS RESPECTING DAMAGE,
DESTRUCTION AND CONDEMNATION

Section 5.1 Damage and Destruction. If prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) the Project is destroyed (in whole or in part) or is damaged by fire or other casualty to such extent that the claim for loss resulting from such destruction or damage is not greater than \$25,000 the Lessee, or the Lessor at the Lessee's direction, (i) will promptly repair, rebuild or restore the property damaged or destroyed to substantially the same condition as it existed prior to the event causing such damage or destruction, with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Lessee and as will not impair the operating unity or productive capacity or the character of the Plant as a manufacturing or processing plant, and (ii) will apply for such purpose so much as may be necessary of any Net Proceeds of insurance resulting from claims for such losses as well as any additional moneys of the Lessee necessary therefor. All Net Proceeds of insurance resulting from claim for such losses not in excess of \$25,000 shall be paid to the Lessee and the Lessee will report in writing to the Lessor and to the Trustee the disposition made of said proceeds for the purposes hereinabove provided.

Unless the Lessee shall exercise its option to purchase the Project pursuant to the provisions of this Lease Agreement, if prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) the Project is destroyed (in whole or in part) or is damaged by fire or other casualty to such extent that the claim for loss resulting from such destruction or damage is in excess of \$25,000 the Lessee shall promptly give written notice thereof to the Trustee. All Net Proceeds of insurance resulting from claims for such losses shall be paid to and held by the Trustee, whereupon (i) the Lessee, or the Lessor at the Lessee's direction, will proceed promptly to repair, rebuild or restore the property damaged or destroyed to substantially the same condition as it existed prior to the event causing such damage or destruction; with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Lessee and as will not impair the operating unity or productive capacity or the character of the Plant as a manufacturing or processing plant, and (ii) the Trustee will apply so much as may be necessary of the proceeds of such insurance to payment of the costs of such repair, rebuilding or restoration, either on completion thereof, or as the work progresses.

In the event said Net Proceeds are not sufficient to pay in full the costs of such repair, rebuilding or restoration the Lessee will nonetheless complete the work thereof and will pay that portion of the costs thereof in excess of the amount of said proceeds or will pay to the Lessor and the Trustee the moneys necessary to complete said work, in which case the Lessor will proceed so to complete said work. The Lessee shall not, by reason of the payment of such excess costs (whether by direct payment thereof or payment to the Lessor or Trustee therefor), be entitled to any reimbursement from the Lessor or any abatement or diminution of the rents payable hereunder. Any balance of insurance proceeds remaining after payment of all the costs of such repair, rebuilding or restoration shall be paid into the Bond Fund.

Section 5.2 Condemnation. Unless the Lessee shall exercise its option to purchase the Project pursuant to the provisions of this Lease Agreement, in the event that title to, or the temporary use of, the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Lessee shall be obligated to continue to make the rental payments required to be paid under this Lease Agreement. The Lessor and the Lessee will cause the Net Proceeds received by them and the Trustee or any of them from any award made in such eminent domain proceedings, to be applied in one or more of the following ways as shall be directed in writing by the Lessee:

(a) The restoration of the remaining improvements located on the Leased Realty to substantially the same condition as they existed prior to the exercise of the said power of eminent domain.

(b) The acquisition, by construction or otherwise, by the Lessor of other lands or improvements suitable for the Lessee's operations at the Project (which land or improvements shall be deemed a part of the Project and available for use and occupancy by the Lessee without the payment of any rent other than herein provided to the same extent as if such land or other improvements were specifically described herein and demised hereby); provided, that such land or improvements shall be acquired by the Lessor subject to no liens or encumbrances prior to the lien of the Indenture.

(c) Redemption of the principal of any of the Bonds together with accrued interest thereon to the date of redemption, provided, that no part of any such condemnation award may be applied for such redemption unless (1) all of the Bonds are to be redeemed in accordance with the Indenture upon exercise of the option of the Lessee to purchase the Project provided for in this Lease Agreement or (2) in the event that less than all of the Bonds or installments thereof are to be redeemed, the Lessee shall furnish to the Lessor and the Trustee a certificate of an Independent Engineer acceptable to the Lessor and the Trustee stating (i) that the property forming a part of the Project that was taken by such condemnation proceedings is not essential to the Lessee's use or occupancy of the Project, or (ii) that the Project has been restored to a condition substantially equivalent to its condition prior to the taking by such condemnation proceedings or (iii) that land or other improvements have been acquired which are suitable for the Lessee's operations at the Project as contemplated by the foregoing subsection (b) of this Section or (3) all or any part of the Bonds are to be redeemed from Net Proceeds received by the Lessee as a result of condemnation of the leasehold estate of the Lessee in the Project created by this Lease Agreement or any part thereof.

Unless the Lessee shall have elected to exercise its option to purchase the Project pursuant to the provisions of Section 9.3 hereof, the Lessee shall, within ninety days from the date of entry of a final order in any eminent domain proceedings granting condemnation, direct the Lessor and the Trustee in writing as to which of the ways specified in this Section the Lessee elects to have the condemnation award applied.

Any balance of the Net Proceeds of the award in such eminent domain proceedings remaining after the application thereof as hereinabove provided shall be paid into the Bond Fund. If the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture) all such proceeds will be paid to the Lessee.

The Lessor shall cooperate fully with the Lessee in the handling and conduct of any prospective or pending condemnation proceeding with respect to the Project or any part thereof and will, to the extent it may lawfully do so, permit the Lessee to litigate in any such proceeding in the name and behalf of the Lessor. In no event will the Lessor voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceeding with respect to the Project or any part thereof without the written consent of the Lessee.

Section 5.3 Condemnation of Lessee-Owned Property. The Lessee shall also be entitled to the Net Proceeds of any condemnation award or portion thereof made for damage to or takings of its own property not including the Project, provided that any Net Proceeds resulting from damage to or taking of all or any part of the leasehold estate of the Lessee in the Project created by the Lease Agreement shall be paid and applied in the manner provided in the preceding Section of this Lease Agreement.

[The next provision of this Lease
is Article VI]

ARTICLE VI

CERTAIN PROVISIONS RELATING TO ASSIGNMENT, SUBLEASING, MORTGAGING AND THE BONDS

Section 6.1 Provisions Relating to Assignment and Subleasing. The Lessee may assign this Lease Agreement, and may sublet the Project or any part thereof, without the necessity of obtaining the consent of either the Lessor or the Trustee. No such assignment or subleasing shall, however, in any way relieve the Lessee from primary liability for any of its obligations hereunder, and in the event of any such assignment or subleasing the Lessee shall continue to remain primarily liable for the payment of all rentals herein provided to be paid by it and for the performance and observance of the other agreements and covenants on its part herein provided to be performed and observed by it.

Section 6.2 Mortgaging of Project by Lessor. The Lessor has mortgaged the Project to the Trustee as security for the payment of the Bonds, subject to this Lease Agreement (which shall be superior to the Indenture), all as provided in the Indenture, and has assigned its interest in and pledged any moneys receivable under this Lease Agreement, to the Trustee as security for payment of the principal of and the interest on the Bonds. The Lessor has in the Indenture obligated itself to follow the instructions of the Trustee or the holders of the Bonds or a certain percentage thereof in the election or pursuit of the remedies herein vested in it. The Trustee shall have all rights and remedies herein accorded to the Lessor and any reference herein to the Lessor shall be deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the holders of the Bonds are deemed to be third party beneficiaries of the covenants and agreements of the Lessee herein contained. Prior to payment of the Bonds in full, the Lessor and the Lessee shall have no power to modify, alter, amend or terminate this Lease Agreement without the prior written consent of the Trustee and then only as provided in the Indenture. The Lessor will not amend the Indenture or enter into or amend any indenture supplemental thereto without the prior written consent of the Lessee. Neither the Lessor nor the Lessee will unreasonably withhold any consent herein or in the Indenture required of either of them. The Lessee shall not be deemed to be a party to the Indenture or the Bonds issued thereunder and reference in this Lease Agreement to said Indenture and Bonds shall not impose any liability or obligation upon the Lessee other than its specific obligations and liabilities undertaken in this Lease Agreement.

Section 6.3 Restrictions on Mortgage or Sale of Project. Except for the mortgage of the Project and the assignment of this Lease Agreement and the rentals hereunder to the Trustee pursuant to the Indenture, Lessor will not mortgage, sell, assign, transfer or convey the Project during the Lease Term without the prior written consent of the Lessee. If the laws of the State at the time shall permit it, nothing contained in this Section shall prevent the consolidation of the Lessor with, or merger of the Lessor into, or transfer of the Project as an entirety to the City or Town or any public corporation whose property and income are not subject to Federal or State taxation and which has corporate authority to carry on the business of owning and leasing the Project; provided, that upon any such consolidation, merger, or transfer, the due and punctual payment of the principal of and interest on the Bonds

according to their tenor, and the due and punctual performance and observance of all the agreements and conditions of this agreement to be kept and performed by the Lessor shall be expressly assumed in writing by the corporation resulting from such consolidation or surviving such merger or to which the Project shall be transferred as an entirety. However, nothing in this Section shall authorize the Lessor to act in such a manner as to cause the interest on the Bonds to become subject to Federal or State taxation.

Section 6.4 Prepayment of Rent. The Lessee shall have the right at its option to prepay at any time all or any part of the Basic Rent payable under this Lease. All rent so prepaid shall be credited against future payments of Basic Rent as the same become due unless prior to the date on which such credit is to be taken the Lessee requests the Lessor to use such moneys to purchase or redeem Bonds in the manner and to the extent provided in the Indenture.

Section 6.5 Redemption of Bonds. The amount necessary to redeem Bonds or prepay principal installments thereof shall be deemed to include, in addition to the redemption price, all expenses necessary to effect the redemption and interest on the Bonds to be redeemed to the next ensuing date on which they can be redeemed, and, if all Bonds are redeemed, all other obligations under the Indenture, including the Trustee's and paying agents' fees, charges and expenses. Any payment made by the Lessee to be applied to the redemption of Bonds shall be made at least 45 days prior to the proposed redemption date and at the time of such payment the Lessee shall notify the Lessor and the Trustee, in writing, as to the purpose of such payment, and the Lessor, upon receiving such notice, shall be obligated and hereby agrees to take all necessary action to have the payment made by the Lessee for the purpose of redeeming Bonds applied to the redemption of as many Bonds as such payment will permit under the Bond redemption provisions of the Bonds and the Indenture.

Section 6.6 References to Bonds Ineffective after Bonds Paid. Upon full payment of the Bonds and coupons, if any, all references in this Lease Agreement to the Bonds, the Indenture and the Trustee shall be ineffective and neither the Trustee nor the holders of any of the Bonds shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested. For purposes of this Lease Agreement, the Bonds shall be deemed fully paid whenever they are deemed to be fully paid under Section 802 of the Indenture. In the event the Bonds are fully paid prior to the last maturity thereof as aforesaid, the Lessee shall be entitled to use and occupancy of the Project from the date of such payment until the expiration of the term provided for in Section 3.1 without the payment of any further Basic Rent but otherwise on all of the same terms and conditions hereof, except that the provisions of Sections 5.1, 7.2 and 7.3 shall not apply and except further that the Lessee shall not be required to carry any insurance for the benefit of the Trustee, but shall be required to carry insurance under Section 4.3 for the benefit of the Lessor as its interest may appear. If, after full payment of the Bonds, there is any surplus remaining in the Bond Fund, the Lessor will promptly pay such surplus to the Lessee.

[The next provision of this Lease
is Article VII]

ARTICLE VII

PARTICULAR COVENANTS OF THE LESSEE

Section 7.1 General Covenants. The Lessee will not do or permit anything to be done on or about the Project that will affect, impair or contravene any policies of insurance that may be carried on the Project or any part thereof against loss or damage by fire, casualty or otherwise. The Lessee will, in the use of the Project and the public ways abutting the same, comply with all lawful requirements of all governmental bodies; provided, however, the Lessee may, at its own expense in good faith contest the validity or applicability of any such requirement.

Section 7.2 Inspection of Project. The Lessee will permit the Lessor, the Trustee, the registered owner of the 1981 Bond and their duly authorized agents (subject to the restrictions and requirements imposed by contracts with the United States Government or agencies thereof, or by subcontracts governed by such contracts, being performed by the Lessee, or its subtenant or subtenants, in any part of the Project) at all reasonable times to enter upon, examine and inspect the Project; and in the event of default as hereinafter provided, the Lessee will permit any nationally recognized firm of certified public accountants designated by the Trustee, to have access to, inspect, examine and make copies of the books and records, accounts and data of the Lessee.

Section 7.3 Special Covenants. So long as any of the Bonds are outstanding,

(a) The Lessee shall furnish to the Trustee and to the registered owner of the 1981 Bond no later than 60 days after the end of each year a personal financial statement of John B. Wood, Jr.

(b) The Lessee will at all times keep an office or agency in the County in which the Project is situated where notices, requests and demands in respect of this Lease Agreement may be served, and it will in writing notify the Lessor and the Trustee of the location of each such office or agency. In default of any such office or agency or such notification thereof, such notices, requests and demands may be served at the principal office of the Trustee.

(c) The Lessee will duly pay and discharge all taxes, assessments and other governmental charges and liens lawfully imposed on the Lessee and upon the properties of the Lessee; provided, however, the Lessee shall not be required to pay any taxes, assessments or other governmental charges so long as in good faith it shall contest the validity thereof by appropriate legal proceedings, unless during the period of such contest the Project or any part thereof shall be subject to loss or forfeiture.

[The next provision of this Lease
is Article VIII]

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1 Events of Default Defined. The following shall be events of default under this Lease Agreement and the terms "events of default" or "default" shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:

(a) Failure by the Lessee to pay any installment of Basic Rent that has become due and payable by the terms of this Lease Agreement and such failure continues for a period of five business days after written notice thereof to Lessee and Guarantor by the Lessor or the Trustee.

(b) Failure by the Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (a) of this Section, for a period of sixty days after written notice, specifying such failure and requesting that it be remedied, given to the Lessee by the Lessor or the Trustee, unless the Lessor and the Trustee shall agree in writing to an extension of such time prior to its expiration, provided, however, if the failure stated in the notice cannot be corrected within the applicable period, it shall not constitute an event of default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected.

(c) The filing by the Lessee of a voluntary petition in bankruptcy, or failure by the Lessee promptly to lift any execution, garnishment or attachment of such consequence as will impair his ability to carry on operations at the Project, or adjudication of the Lessee as a bankrupt, or if a petition or answer proposing the adjudication of the Lessee as a bankrupt under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety days after the filing thereof, or if the Lessee shall admit in writing his inability to pay his debts generally as they become due, or a receiver, trustee or liquidator of the Lessee or of all or any substantial portion of the Project shall be appointed in any proceeding brought against the Lessee or if the Lessee shall consent to or acquiesce in such appointment, or assignment by the Lessee for the benefit of his creditors, or the entry by the Lessee into an agreement of composition with his creditors shall also constitute an event of default hereunder.

Section 8.2 Remedies on Default. Whenever any such event of default shall have happened and be continuing, the Lessor or the Trustee may take any of the following remedial steps:

(a) The Lessor or the Trustee may at their option declare all installments of Basic Rent payable under this Lease Agreement for the remainder of the Lease Term immediately due and payable;

(b) The Lessor or the Trustee may reenter and take possession of the Project, without terminating this Lease Agreement, exclude the Lessee from possession thereof and sublease the Project or any part thereof, for the account of the Lessee, holding the Lessee liable for the difference in the rent and other amounts payable by such sublessee in such subleasing and the rents and other amounts payable by the Lessee hereunder;

(c) The Lessor or the Trustee may, at their option terminate this Lease Agreement, exclude the Lessee from possession of the Project and, if the Lessor or Trustee elect so to do, lease the same for the account of the Lessor, holding the Lessee liable for all rent due up to the date such lease is made for the account of the Lessor;

(d) The Lessor or the Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the rent then due, whether by declaration or otherwise, or to enforce any obligation or covenant or agreement of the Lessee under this Lease Agreement or by law.

Section 8.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lessor or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

Section 8.4 Agreement to Pay Attorney's Fees and Expenses. In the event the Lessee should default under any of the provisions of this Lease Agreement and the Trustee (in its own name or in the name and on behalf of the Lessor) should employ attorneys or incur other expenses for the collection of rent or the enforcement of performance or observance of any obligation or agreement on the part of the Lessee herein contained, the Lessee will on demand therefor pay to the Trustee the reasonable fee of such attorneys and such other expenses so incurred.

Section 8.5 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

[The next provision in this Lease
is Article IX]

ARTICLE IX

OPTIONS

Section 9.1 Options to Terminate. The Lessee shall have, if it is not in default hereunder, the following options to cancel or terminate the term of this Lease Agreement:

(a) At any time prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), the Lessee may terminate the term of this Lease Agreement by paying to the Trustee for the account of the Lessor an amount which, when added to the amount on deposit in the Bond Fund, will be sufficient to pay, retire and redeem all the outstanding Bonds in accordance with Sections 6.5 and 6.6 hereof and with the provisions of the Indenture (including, without limiting the generality of the foregoing, principal, interest to maturity or earliest applicable redemption date, as the case may be, premium, if any, expenses of redemption and Trustee's and paying agents' fees and expenses), and, in case of redemption, by making arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

(b) At any time after full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), the Lessee may terminate the term of this Lease Agreement by giving the Lessor notice in writing of such termination and such termination shall forthwith become effective.

Section 9.2 Option to Purchase Project Prior to Payment of the Bonds. Prior to the full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), the Lessee shall have, and is hereby granted, the option to purchase the Project, and thereby effect mandatory redemption of the Bonds, if any of the following shall have occurred:

(a) The Project or any part thereof shall have been damaged or destroyed (i) to such extent that it cannot be reasonably restored within a period of six months to the condition thereof immediately preceding such damage or destruction, or (ii) to such extent that the Lessee is thereby prevented from carrying on its normal operations at the Project for a period of six months or (iii) to such extent that the cost of restoration thereof would exceed by more than \$50,000 the Net Proceeds of insurance carried thereon pursuant to the requirements of this Lease Agreement.

(b) Title to, or the temporary use of, the Project or any part thereof or the leasehold estate of the Lessee in the Project created by this agreement or any part thereof shall have been taken under the exercise of the power of eminent domain by any governmental authority or person, firm or corporation acting under governmental authority which results, or is likely to result, in the Lessee being thereby prevented from carrying on its normal operations therein for a period of six months.

(c) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether

335 PAGE 657

BOOK

state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Lessee in good faith, this agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed in this agreement, or unreasonable burdens or excessive liabilities shall have been imposed on the Lessor or the Lessee including without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of this agreement.

(d) As a result of changes in the economic availability of labor, raw materials, energy sources, operating supplies or facilities necessary for the operations of the Project, the Project becomes in the reasonable judgment of the Lessee, uneconomic.

To exercise such option, the Lessee shall, within thirty days following the event authorizing the exercise of such option, give written notice to the Lessor and to the Trustee, if any of the Bonds shall then be unpaid, and shall specify therein the date of closing such purchase, which date shall be not less than forty-five nor more than ninety days from the date such notice is mailed, and shall make arrangements in accordance with the provisions of the Indenture and satisfactory to the Trustee for the giving of the required notice of redemption for the redemption of the Bonds on the date specified for closing such purchase. The purchase price payable by the Lessee in the event of its exercise of the option granted in this Section shall be the sum of the following:

(1) an amount of money which, when added to the amount then on deposit in the Bond Fund, will be sufficient to redeem all outstanding Bonds on the closing date, plus

(2) an amount of money equal to the Trustee's and paying agents' fees and expenses under the Indenture accrued and to accrue until such final payment and redemption of the Bonds.

In the event of the exercise of the option granted in this Section any Net Proceeds of insurance or condemnation shall be paid to the Lessee.

Section 9.3 Option to Purchase the Project After Payment of Bonds. The Lessee shall also have, and is hereby granted, the option to purchase the Project at any time during the Lease Term after full payment of the Bonds as defined in Section 6.6 hereof for a purchase price of One Dollar, plus any reasonable expenses (including attorney's fees) incurred by Lessor in connection with the exercise of said option to purchase. To exercise the option granted in this Section, the Lessee shall notify the Lessor of its intention so to exercise such option not less than forty-five days nor more than ninety days prior to the proposed date of purchase and shall on the date of purchase pay such purchase price to the Lessor. If this option has not been exercised prior to the end of the term of the Lease, then it shall automatically be considered to be exercised at such time.

Section 9.4 Option to Purchase Unimproved Leased Realty. The Lessee shall have, and is hereby granted, the option to purchase any Unimproved part of the Leased Realty

at any time and from time to time at and for a purchase price equal to the pro rata cost thereof to the Lessor, provided that it furnishes the Lessor with the following:

(a) A notice in writing containing (i) an adequate legal description of that portion of the Leased Realty with respect to which such option is to be exercised, (ii) a statement that the Lessee intends to exercise its option to purchase such portion of the Leased Realty on a date stated, which shall not be less than forty-five nor more than ninety days from the date of such notice and (iii) a statement that the use to which such portion of the Leased Realty will be devoted will be in furtherance of the purpose for which the Lessor was organized.

(b) A certificate of an Independent Engineer who is acceptable to the Trustee, dated not more than ninety days prior to the date of the purchase and stating that, in the opinion of the person signing such certificate, (i) the portion of the Leased Realty with respect to which the option is exercised is not needed for the operation of the Project for the purposes hereinabove stated and (ii) the purchase will not impair the usefulness of the Project and will not destroy the means of ingress thereto and egress therefrom.

(c) An amount of money equal to the purchase price computed as provided in this Section, plus any reasonable expenses (including attorney's fees) incurred by the Lessor in connection with said option to purchase.

Upon receipt of the notice, certificate and money required in this Section to be furnished to it by the Lessee, the Lessor will promptly deliver the same to the Trustee and will secure from the Trustee a release from the Indenture of such portion of the Leased Realty with respect to which the Lessee shall have exercised the option granted to it in this Section. In the event the Lessee shall exercise the option granted to it under this Section the Lessee shall not be entitled to any abatement or diminution of the rents payable under this Lease Agreement; provided, however, the amount paid to the Trustee shall be held by the Trustee as additional security for the payment of the Bonds and credited to the Lessee as a payment of Basic Rent in the inverse order of the rental installments provided for in this Lease Agreement, the final installment due being the first to be so credited. If such option relates to Leased Realty on which transportation or utility facilities are located, the Lessor shall retain an easement to use such transportation or utility facilities to the extent necessary for the efficient operation of the Project.

Section 9.5 Conveyance on Exercise of Option to Purchase. At the closing of the purchase pursuant to the exercise of any option to purchase granted herein, the Lessor will upon receipt of the purchase price deliver to the Lessee documents conveying to the Lessee the property with respect to which such option was exercised, as such property then exists, subject to the following: (i) those liens and encumbrances, if any, to which title to said property was subject when conveyed to the Lessor; (ii) those liens and encumbrances created by the Lessee or to the creation or suffering of which the Lessee consented; (iii) those liens and encumbrances resulting from the failure of the Lessee to perform or observe any of the agreements on its part contained in this Lease Agreement.

Section 9.6 Use of Party Walls. If the Lessee purchases any Unimproved part of the Leased Realty pursuant to the provisions hereof or otherwise acquires or leases other real property adjacent to the Leased Realty, all walls presently standing or hereafter erected on or contiguous to the boundary line of the land so purchased, acquired or leased by the Lessee shall be party walls and each party grants the other a ten foot easement adjacent to any such party wall for the purpose of inspection, maintenance, repair and replacement thereof and the tying-in of new construction. If the Lessee utilizes any party wall for the purpose of tying-in new construction that will be utilized under common control with the Project, Lessee may also tie in the utility facilities on the Leased Realty for the purpose of serving the new construction and may remove any non-loadbearing wall panels in the party wall; provided, however, that if the property so purchased, acquired or leased by Lessee ceases to be operated under common control with the Project, Lessee covenants that it will install non-loadbearing wall panels similar in quality to those that have been removed and will provide separate utility services for the new construction.

Section 9.7 Release of Unimproved Leased Realty. Any Unimproved part of the Leased Realty may be released from the provisions of this Lease Agreement and the lien of the Indenture subject to compliance with the terms, provisions and conditions of this section. Such release shall be effected in the following manner:

(a) The Lessee shall deliver to the Lessor and to the Trustee its certificate (i) setting out an adequate legal description of that portion of the Leased Realty to be released, which property to be released may include rights granted in party walls, the right to "tie-into" existing utilities, the right to connect and join any building, structure or improvement with existing structures, facilities and improvements on the Leased Realty, and the right of ingress or egress to and from the public highway which shall not interfere with the use and occupancy of existing structures, improvements and buildings, (ii) describing the buildings, structures, or improvements to be erected on the property to be released and (iii) requesting that the property be so released.

(b) The Lessee shall also deliver to the Lessor and to the Trustee a certificate by an Independent Engineer acceptable to the Trustee and dated not more than ninety days prior to the date of the Lessee's certificate, stating that, in the opinion of the person signing such certificate (i) the portion of the Leased Realty with respect to which release is sought is not needed for the operation of the Project for the purposes hereinabove stated and (ii) the buildings, structures or improvements described in the above certificate by the Lessee can be constructed on the real property to be released and will not impair the usefulness of the Building or Equipment and will not destroy the rights of ingress thereto and egress therefrom.

(c) If any Bonds are outstanding the Lessee shall pay to the Trustee an amount equal to the pro rata cost to the Lessor of the real property so released, which amount shall be held by the Trustee as additional security for the payment of the Bonds and credited to the Lessee as a payment of Basic Rent in the inverse order of the rental installments provided for in this Lease Agreement, the final installment due being the first to be credited.

(d) The written consent of the Lessor to the release of such portion of the Leased Realty, and a request from the Lessor to the Trustee to effect the release from the lien of the Indenture, shall be delivered to the Lessee and to the Trustee, which consent and request shall not be unreasonably withheld if the two certificates hereinabove referred to have been furnished and the Lessor does not have reasonable cause to believe any statement set forth in any of said certificates is incorrect. Any realty so released from this Lease Agreement and the lien of the Indenture shall be the unencumbered realty of the Lessor and may be leased by it under separate lease, may be mortgaged by it under separate mortgage which may be a first lien thereon and may be held, conveyed and otherwise used for any of the purpose or purposes for which the Lessor is incorporated subject to such terms and provisions as may be agreed upon between the Lessee and the Lessor. No release or releases effected under the provisions of this section of any realty shall affect the liability or the obligation of the Lessee for the payment of Basic Rent by reason of the release of any such realty except as specified in this Section and the obligation and the liability of the Lessee shall continue in all respects as provided in this Lease Agreement, excluding, however, any realty so released.

[The next provision of this Lease
is Article X]

ARTICLE X

INTERNAL REVENUE CODE, SECTION 103

Section 10.1 Covenants Regarding Section 103(c) of Internal Revenue Code. The parties hereto recognize that the Bonds are being sold on the basis that the interest payable on the Bonds is excludable from gross income of the holder thereof under Section 103 of the Code. The Lessor and the Lessee do each hereby covenant and agree for the benefit of the Trustee and the holders of the Bonds that the proceeds of the Bonds shall not be used or applied in such manner as to constitute any Bond an "arbitrage bond" as that term is defined in Section 103(c) of the Code.

Section 10.2 Obligation of Lessee if Interest on Bonds Becomes Taxable. Lessee hereby agrees to purchase and Lessor hereby agrees to sell the Project at any time while any of the Bonds are outstanding in the event of the enactment of legislation, the promulgation of a regulation, or the issuance of a revenue ruling that would have the effect of causing the interest paid or to be paid on the Bonds to be subject to income taxation by the United States of America, without regard to the status, person, acts, or omissions of the Holders of the Bonds or any thereof and for any cause whatsoever. The Lessee shall be required to purchase the Project within 60 days after written notice from the Lessor or the Trustee of the enactment of legislation, the promulgation of a regulation, or the issuance of a revenue ruling as aforesaid and the purchase price shall be the sum of (i) the principal amount of the outstanding Bonds plus accrued interest thereon to the date of their redemption and (ii) the Trustee's and paying agent's fees and expenses under the Indenture accrued and to accrue until the redemption of all Bonds. In lieu of purchasing the Project as aforesaid, the Lessee may, at its election exercised by written notice to the Trustee and to the Lessor, pay to the Trustee the sum of (i) the principal amount of the outstanding Bonds plus accrued interest thereon to the date of their redemption, and (ii) the Trustee's and paying agents' fees and expenses under the Indenture accrued and to accrue until the redemption of all Bonds. In the event the Lessee does so elect and does pay the aforesaid sum to the Trustee, the Lessee shall be entitled to the use and occupancy of the Project from the date of such payment until the expiration of the term provided for in Section 3.1 without the payment of any further Basic Rent but otherwise on all of the same terms and conditions hereof except that the provisions of Sections 5.1, 7.2 and 7.3 shall not apply and except further that the Lessee shall not be required to carry any insurance for the benefit of the Trustee but shall be required to carry insurance under Section 4.3 for the benefit of the Lessor as its interests may appear. The Lessor shall cause the aforesaid sum or the aforesaid purchase price paid to the Trustee to be applied to the redemption of the Bonds.

[The next provision in this Lease
is Article XI]

ARTICLE XI

EQUIPMENT

Section 11.1 Identification of Equipment. The Lessee shall plainly, distinctly, permanently and conspicuously place and fasten on each item of Equipment costing \$5,000 or more and constituting a part of the Project a plate readily visible bearing the following words: "This Equipment is the property of The Industrial Development Board of the Town of Pelham subject to its Mortgage, Security Agreement and Indenture of Trust dated October 1, 1981." In case any such plate shall, at any time be removed, defaced or destroyed the Lessee shall immediately cause the same to be restored or replaced.

Section 11.2 Installation of New Equipment. In the event that at any time the Lessee desires to install in the Project additional Equipment, the Lessor will, on request of the Lessee and upon being furnished by the Lessee with the necessary funds, purchase and install in the Project such additional Equipment, which shall then become and constitute a part of the Project, subject to the lease thereof. Such additional Equipment may be removed by the Lessee pursuant to Section 4.1(c) hereof.

Section 11.3 Obsolete or Worn out Equipment. The Lessor and the Lessee recognize that part of the Equipment constituting a part of the Project may become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary in the operation of the Project. In any instance where the Lessee in its sound discretion determines that any items of Equipment constituting a part of the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary in the operation of the Project:

(a) The Lessee may (on behalf of the Lessor) sell, trade-in, exchange or otherwise dispose of any such items of Equipment provided that the Lessee substitutes (either by direct payment of the costs thereof or by advancing to the Lessor the funds necessary therefor, as hereinafter provided) other Equipment having equal or greater utility (but not necessarily the same function) in the operation of the Project. All such substituted Equipment shall be free of all liens and encumbrances, other than the lien of the Indenture, shall be and become a part of the Project subject to the demise hereof and shall be held by the Lessee on the same terms and conditions as items of Equipment originally comprising the Project, or at its election,

(b) The Lessee may sell, trade-in or exchange any item of Equipment (as a whole or in part) on behalf of the Lessor, either to itself or to another, without being required to substitute other machinery and equipment in lieu thereof, provided (i) that in case of the sale of any such Equipment to anyone other than itself, the Lessee pays to the Trustee the proceeds from such sale, (ii) that in case of the trade-in of such Equipment for other machinery and equipment not to become part of the Project, the Lessee pays to the Trustee the amount of the credit received by it on such trade-in, and (iii) that in the case of the sale of any such Equipment to the Lessee, the Lessee pays to the Trustee an amount equal to the original costs thereof less depreciation based on useful life thereof and determined in accordance with generally accepted accounting practices. Amounts paid to the Trustee shall be deposited in the Bond Fund and

335 PAGE 663

BOOK

credited to the semiannual installments of Basic Rent due and payable under Section 3.2 hereof in the inverse order of the due date thereof, the final installment due being the first to be credited.

In any case where the Lessee is herein required to purchase and substitute any item of Equipment, it may, in lieu of purchasing said Equipment itself, advance to the Lessor funds necessary therefor, whereupon the Lessor will purchase such Equipment.

The Lessee will promptly report such substitutions, sales and other dispositions of Equipment constituting a part of the Project to the Trustee, and will execute and deliver to the Lessor such documents as the Lessor or the Trustee may from time to time require to confirm the title of the Lessor subject to this Lease Agreement to any items of Equipment that under the provisions of this section are to become a part of the Project.

[The next provision of this Lease
is Article XII]

ARTICLE XII

MISCELLANEOUS

Section 12.1 Covenants of Quiet Enjoyment. So long as the Lessee performs and observes all the covenants and agreements on its part herein contained, it shall peaceably and quietly have, hold and enjoy the Project during the Lease Term subject to all the terms and provisions hereof.

Section 12.2 This Lease a Net Lease. The Lessee recognizes, understands and acknowledges that it is the intention hereof that this Lease Agreement be a net lease and that all Basic Rent be available for payment of debt service on the Bonds. This Lease Agreement shall be construed to effectuate such intent.

Section 12.3 Prior Agreements Cancelled. This Lease Agreement shall completely and fully supersede all other prior agreements, both written and oral, between the Lessor and the Lessee relating to the acquisition of the Project, the construction or equipping of the Building, the leasing of the Project and any options to renew or to purchase. No party to any such prior agreement shall hereafter have any rights thereunder but shall look solely to this Lease Agreement for definition and determination of all of its rights, liabilities and responsibilities relating to the Project, except that this Lease in no way cancels or terminates the Lessee's authority as agent of Lessor to purchase materials, etc. for the Project as granted in the Memorandum of Agreement dated June 4, 1981, except as such authority may be modified by the parties pursuant to Section 2.1 hereof.

Section 12.4 Lessor's Liabilities Limited. It is understood and agreed by and between the parties hereto that this Lease Agreement is entered into under and pursuant to the provisions of the Act and that no provision of this Lease Agreement shall be construed so as to give rise to a pecuniary liability of the Lessor or a charge against its general credit. All obligations of the Lessor arising in connection with this Lease Agreement are limited to the proper application of the proceeds of the sale of the Bonds and revenues and receipts of the Project.

Section 12.5 Execution Counterparts. This Lease Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.6 Binding Effect. This Lease Agreement shall inure to the benefit of, and shall be binding upon, the Lessor, the Lessee and their respective successors and assigns.

Section 12.7 Amendments. So long as any of the Bonds are outstanding, this Lease Agreement may be amended only with the consent of the Trustee and subject to the provisions of Article XII of the Indenture.

Section 12.8 Severability. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.9 Article and Section Captions. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

Section 12.10 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Lessor, at The Industrial Development Board of the Town of Pelham, City Hall, Pelham, Alabama; if to the original purchaser of the Bond, at Birmingham Trust National Bank, P. O. Box 2554, Birmingham, Alabama 35290; if to the Lessee, at John B. Wood, Jr., 3405 Norwich Drive, Birmingham, Alabama 35243; and if to the Trustee, at Birmingham Trust National Bank, P. O. Box 2554, Birmingham, Alabama, 35290, Attention: Corporate Trust Officer. A duplicate copy of each notice, certificate or other communication given hereunder by either the Lessor or the Lessee to the other shall also be given to the Trustee and the Guarantors. The Lessor, the Lessee, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Agreement to be executed in their respective names, as of the date first above written.

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE TOWN OF PELHAM

BY

Donald M. Spiller
Chairman of its Board of Directors

Attest:

M. Man Year
Its Secretary

WITNESS:

Lynn Thazard

John B. Wood, Jr.
John B. Wood, Jr.

335 PAGE 666

BOOK

ACKNOWLEDGMENT OF LESSOR

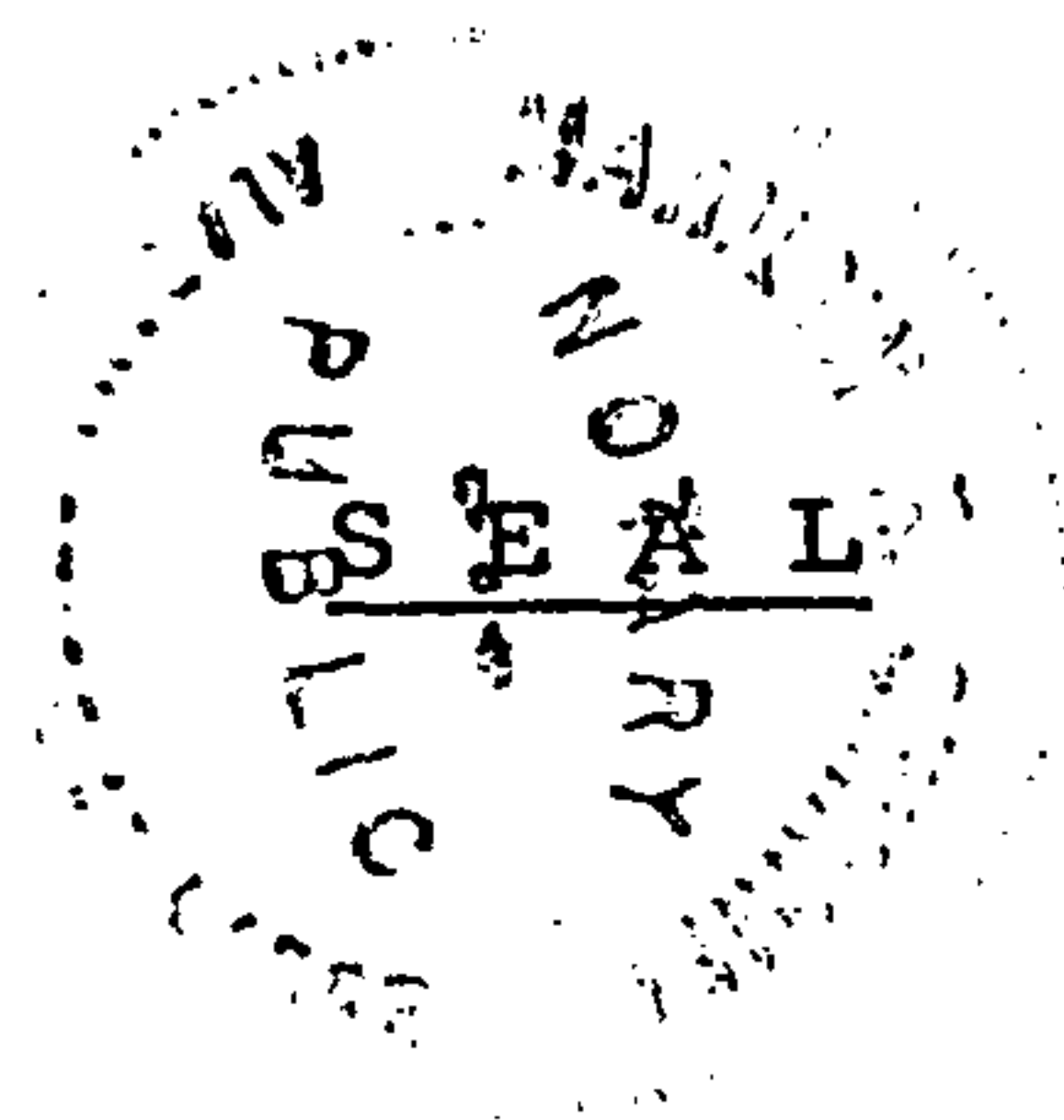
STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that Daniel M. Spitler, whose name as Chairman of the Board of Directors of The Industrial Development Board of the Town of Pelham, is signed to the foregoing Lease Agreement and who is known to me and known to be such officer, acknowledged before me on this day that, being informed of the contents of said Lease Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this 21st day of October, 1981.

Marion K. Sherriff
Notary Public



ACKNOWLEDGMENT OF LESSEE

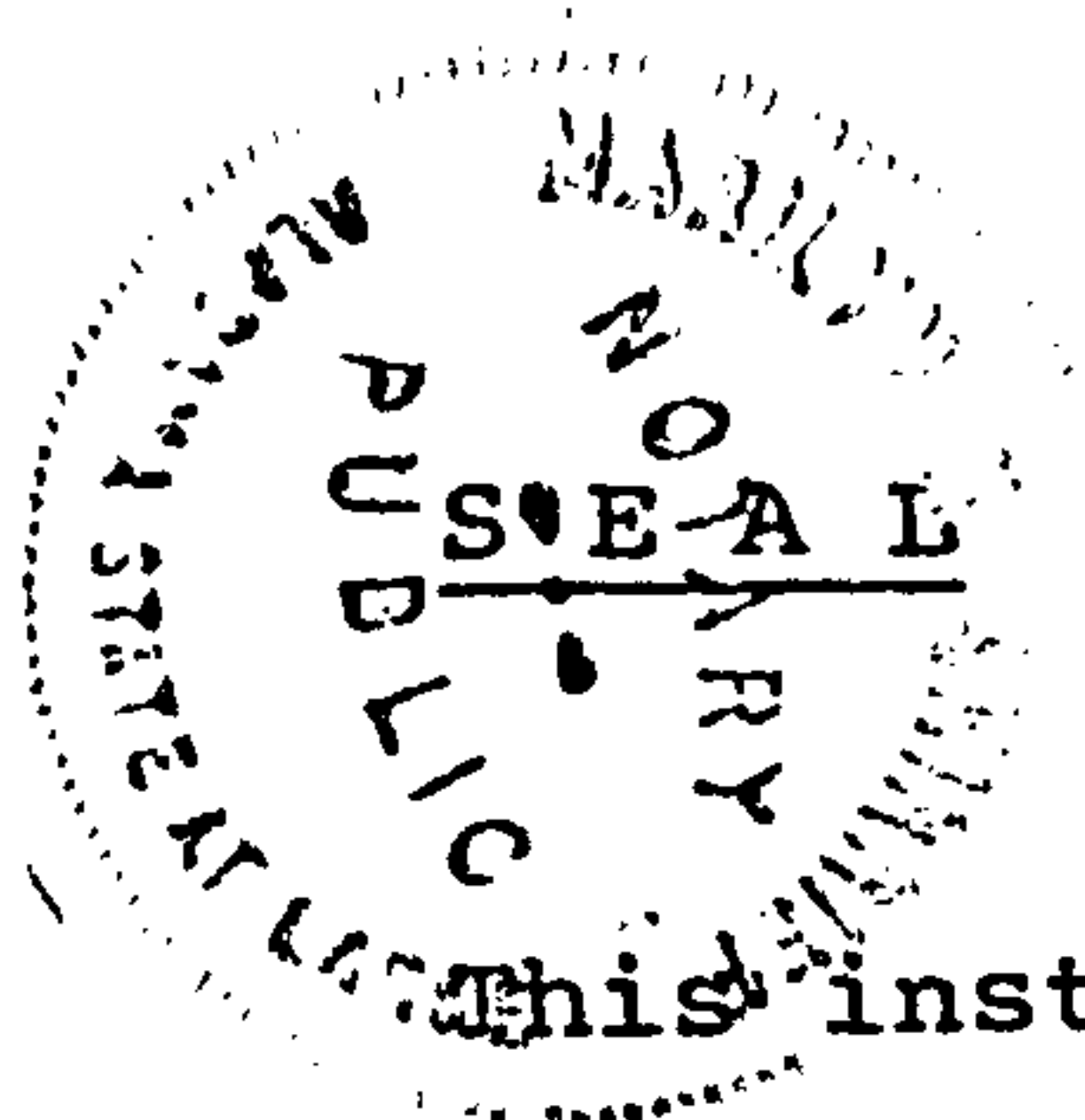
STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that John B. Wood, Jr., whose name is signed to the foregoing Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Lease Agreement, he executed the same voluntarily.

Given under my hand and seal of office this 21st day of October, 1981.

Marion K. Sherriff
Notary Public



This instrument was prepared by:

A. Key Foster, Jr.
Balch, Bingham, Baker, Hawthorne, Williams & Ward
600 North 18th Street
Birmingham, Alabama 35203

Exhibit A
AMORTIZATION SCHEDULE

PREPARED BY : GTS COMPUTER SYSTEMS, INC., BIRMINGHAM, ALABAMA 35222

MORTGAGE TERMS

INTEREST RATE = 14.00
LIFE OF MORTGAGE = 12 YEARS, 0 MONTHS
AMOUNT BORROWED = \$150000.00
MONTHLY PAYMENT = \$ 2155.68

MORTGAGE TABLE

YEAR	MO	PAY.#	INTEREST	PRINCIPAL	NEW BALANCE	DATE PAID
1981	11	1	1750.00	405.68	149594.32	-----
	12	2	1745.27	410.41	149183.91	-----
TOTALS	1981		3495.27	816.09		
1982	1	3	1740.48	415.20	148768.71	-----
	2	4	1735.63	420.05	148348.66	-----
	3	5	1730.73	424.95	147923.71	-----
	4	6	1725.78	429.90	147493.81	-----
	5	7	1720.76	434.92	147058.89	-----
	6	8	1715.69	439.99	146618.90	-----
	7	9	1710.55	445.13	146173.77	-----
	8	10	1705.36	450.32	145723.45	-----
	9	11	1700.11	455.57	145267.88	-----
	10	12	1694.79	460.89	144806.99	-----
	11	13	1689.41	466.27	144340.72	-----
	12	14	1683.97	471.71	143869.01	-----
TOTALS	1982		20553.26	5314.90		
1983	1	15	1678.47	477.21	143391.80	-----
	2	16	1672.90	482.78	142909.02	-----
	3	17	1667.27	488.41	142420.61	-----
	4	18	1661.57	494.11	141926.50	-----
	5	19	1655.81	499.87	141426.63	-----
	6	20	1649.98	505.70	140920.93	-----
	7	21	1644.08	511.60	140409.33	-----
	8	22	1638.11	517.57	139891.76	-----
	9	23	1632.07	523.61	139368.15	-----
	10	24	1625.96	529.72	138838.43	-----
	11	25	1619.78	535.90	138302.53	-----
	12	26	1613.53	542.15	137760.38	-----
TOTALS	1983		19759.53	6108.63		
1984	1	27	1607.20	548.48	137211.90	-----

YEAR	MO	PAY.#	INTEREST	PRINCIPAL	NEW BALANCE	DATE PAID
	2	28	1600.81	554.87	136657.03	-----
	3	29	1594.33	561.35	136095.68	-----
	4	30	1587.78	567.90	135527.78	-----
	5	31	1581.16	574.52	134953.26	-----
	6	32	1574.45	581.23	134372.03	-----
	7	33	1567.67	588.01	133784.02	-----
	8	34	1560.81	594.87	133189.15	-----
	9	35	1553.87	601.81	132587.34	-----
	10	36	1546.85	608.83	131978.51	-----
	11	37	1539.75	615.93	131362.58	-----
	12	38	1532.56	623.12	130739.46	-----

TOTALS 1984 18847.24 7020.92

1985	1	39	1525.29	630.39	130109.07	-----
	2	40	1517.94	637.74	129471.33	-----
	3	41	1510.50	645.18	128826.15	-----
	4	42	1502.97	652.71	128173.44	-----
	5	43	1495.36	660.32	127513.12	-----
	6	44	1487.65	668.03	126845.09	-----
	7	45	1479.86	675.82	126169.27	-----
	8	46	1471.97	683.71	125485.56	-----
	9	47	1464.00	691.68	124793.88	-----
	10	48	1455.93	699.75	124094.13	-----
	11	49	1447.76	707.92	123386.21	-----
	12	50	1439.51	716.17	122670.04	-----

TOTALS 1985 17798.74 8069.42

1986	1	51	1431.15	724.53	121945.51	-----
	2	52	1422.70	732.98	121212.53	-----
	3	53	1414.15	741.53	120471.00	-----
	4	54	1405.49	750.19	119720.81	-----
	5	55	1396.74	758.94	118961.87	-----
	6	56	1387.89	767.79	118194.08	-----
	7	57	1378.93	776.75	117417.33	-----
	8	58	1369.87	785.81	116631.52	-----
	9	59	1360.70	794.98	115836.54	-----
	10	60	1351.43	804.25	115032.29	-----
	11	61	1342.04	813.64	114218.65	-----
	12	62	1332.55	823.13	113395.52	-----

TOTALS 1986 16593.64 9274.52

1987	1	63	1322.95	832.73	112562.79	-----
	2	64	1313.23	842.45	111720.34	-----
	3	65	1303.40	852.28	110868.06	-----
	4	66	1293.46	862.22	110005.84	-----
	5	67	1283.40	872.28	109133.56	-----
	6	68	1273.22	882.46	108251.10	-----
	7	69	1262.93	892.75	107358.35	-----
	8	70	1252.51	903.17	106455.18	-----
	9	71	1241.98	913.70	105541.48	-----
	10	72	1231.32	924.36	104617.12	-----

YEAR	MO	PAY.#	INTEREST	PRINCIPAL	NEW BALANCE	DATE PAID
1987	11	73	1220.53	935.15	103681.97	-----
	12	74	1209.62	946.06	102735.91	-----
TOTALS	1987		15208.55	10659.61		

1988	1	75	1198.59	957.09	101778.82	-----
	2	76	1187.42	968.26	100810.56	-----
	3	77	1176.12	979.56	99831.00	-----
	4	78	1164.69	990.99	98840.01	-----
	5	79	1153.13	1002.55	97837.46	-----
	6	80	1141.44	1014.24	96823.22	-----
	7	81	1129.60	1026.08	95797.14	-----
	8	82	1117.63	1038.05	94759.09	-----
	9	83	1105.52	1050.16	93708.93	-----
	10	84	1093.27	1062.41	92646.52	-----
	11	85	1080.88	1074.80	91571.72	-----
	12	86	1068.34	1087.34	90484.38	-----
TOTALS	1988		13616.63	12251.53		

335

PAGE

670

BOOK

1989	1	87	1055.65	1100.03	89384.35	-----
	2	88	1042.82	1112.86	88271.49	-----
	3	89	1029.83	1125.85	87145.64	-----
	4	90	1016.70	1138.98	86006.66	-----
	5	91	1003.41	1152.27	84854.39	-----
	6	92	989.97	1165.71	83688.68	-----
	7	93	976.37	1179.31	82509.37	-----
	8	94	962.61	1193.07	81316.30	-----
	9	95	948.69	1206.99	80109.31	-----
	10	96	934.61	1221.07	78888.24	-----
	11	97	920.36	1235.32	77652.92	-----
	12	98	905.95	1249.73	76403.19	-----
TOTALS	1989		11786.97	14081.19		

1990	1	99	891.37	1264.31	75138.88	-----
	2	100	876.62	1279.06	73859.82	-----
	3	101	861.70	1293.98	72565.84	-----
	4	102	846.60	1309.08	71256.76	-----
	5	103	831.33	1324.35	69932.41	-----
	6	104	815.88	1339.80	68592.61	-----
	7	105	800.25	1355.43	67237.18	-----
	8	106	784.43	1371.25	65865.93	-----
	9	107	768.44	1387.24	64478.69	-----
	10	108	752.25	1403.43	63075.26	-----
	11	109	735.88	1419.80	61655.46	-----
	12	110	719.31	1436.37	60219.09	-----
TOTALS	1990		9684.06	16184.10		

1991	1	111	702.56	1453.12	58765.97	-----
	2	112	685.60	1470.08	57295.89	-----
	3	113	668.45	1487.23	55809.66	-----

YEAR	MO	PAY.#	INTEREST	PRINCIPAL	NEW BALANCE	DATE PAID
1991	4	114	651.10	1504.58	54304.08	-----
	5	115	633.55	1522.13	52781.95	-----
	6	116	615.79	1537.89	51242.06	-----
	7	117	597.82	1557.86	49684.20	-----
	8	118	579.65	1576.03	48108.17	-----
	9	119	561.26	1594.42	46513.75	-----
	10	120	542.66	1613.02	44900.73	-----
	11	121	523.84	1631.84	43268.89	-----
	12	122	504.80	1650.88	41618.01	-----
TOTALS	1991		7267.08	18601.08		
1992	1	123	485.54	1670.14	39947.87	-----
	2	124	466.06	1689.62	38258.25	-----
	3	125	446.35	1709.33	36548.92	-----
	4	126	426.40	1729.28	34819.64	-----
	5	127	406.23	1749.45	33070.19	-----
	6	128	385.82	1769.86	31300.33	-----
	7	129	365.17	1790.51	29509.82	-----
	8	130	344.28	1811.40	27698.42	-----
	9	131	323.15	1832.53	25865.89	-----
	10	132	301.77	1853.91	24011.98	-----
	11	133	280.14	1875.54	22136.44	-----
	12	134	258.26	1897.42	20239.02	-----
TOTALS	1992		4489.17	21378.99		
1993	1	135	236.12	1919.56	18319.46	-----
	2	136	213.73	1941.95	16377.51	-----
	3	137	191.07	1964.61	14412.90	-----
	4	138	168.15	1987.53	12425.37	-----
	5	139	144.96	2010.72	10414.65	-----
	6	140	121.50	2034.18	8380.47	-----
	7	141	97.77	2057.91	6322.56	-----
	8	142	73.76	2081.92	4240.64	-----
	9	143	49.47	2106.21	2134.43	-----
	10	144	24.90	2130.78	3.65	-----
	11	145	.04	3.65	.00	-----
TOTALS	1993		1321.47	20239.02		

ANNUAL SUMMARY

YEAR	INTEREST	PRINCIPAL REPAYMENT	ENDING PRINCIPAL OUTSTANDING
1981	3495.27	816.09	149183.91
1982	20553.26	5314.90	143869.01
1983	19759.53	6108.63	137760.38
1984	18847.24	7020.92	130739.46
1985	17798.74	8069.42	122670.04
1986	16593.64	9274.52	113395.52

1987	15208.55	10659.61	102735.91
1988	13616.63	12251.53	90484.38
1989	11786.97	14081.19	76403.19
1990	9684.06	16184.10	60219.09
1991	7267.08	18601.08	41618.01
1992	4489.17	21378.99	20239.02
1993	1321.47	20239.02	.00

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BOOK 335 PAGE 672

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