

974
LEASE

STATE OF ALABAMA)
SHELBY COUNTY)

THIS LEASE made this 9 day of March, 1981 by and between Mrs. Etta Boles (hereinafter called the "Lessor") and Alabama Refractory Clay Co., Inc., a corporation, (hereinafter called the "Lessee").

WITNESSETH:

1. The Lessor in consideration of the rents, royalties, covenants and agreements herinafter reserved and expressed, to be paid and performed by the Lessee, hereby lets and demises unto the Lessee the following described land and premises situated in Shelby County, Alabama, to-wit:

A lot or parcel of land partly in the SE 1/4 of the NE 1/4, Sec. 32, and partly in the SW 1/4 of the NW 1/4, Sec. 33, all in Township 21-South, Range 2-West, described as follows: From the NW corner of the SE 1/4 of the NE 1/4, run East along a fence for 718 feet to a fence corner post and the point of beginning of subject parcel of land; from said point thus established, continue to run east along said fence and a continuation thereof for 731.3 feet to a point on the west right of way line of the L. & N. Railroad; run thence southeasterly along said right of way line for 1034 feet; thence run S-79°-00'W for 960 feet; run thence N-77°-10'W for 103.5 feet to a fence; run thence North along said fence for 1140.7 feet, and back to the point of beginning, and containing 21.5 acres, more or less. It being the intention of this map to describe 21.5 acres, more or less that lies generally north of a drainage ditch and creek, east of an existing pasture fence, south of the Alabama Power Co. land, and west of the L. & N. Railroad right of way, and containing an existing clay pit.

which premises are leased to Lessee for the purpose of exploring for, mining, taking out, processing and removing therefrom sand mixed with clay, with or without gravel, pebble or crushed stone, and merchantable clay which is or may hereafter be found in, on, or under said land, together with the right to construct all buildings and make excavations, openings, ditches, drains, railroads, roads or other improvements upon said premises which are or may become

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Alabama Refractory Clay Co.
P.O. Box - 291
Montevallo, Ala - 38115

necessary or suitable for the mining or processing or removing said materials from said premises.

TO HAVE AND TO HOLD to Lessee the premises hereby demised for a primary term of ten (10) years commencing March 1, 1981 and ending February 28, 1991.

In consideration of said grant and demise, the Lessee does hereby covenant to pay to the Lessor during the term of this lease as rental for said premises:

(a) A minimum fixed rental of Four Hundred Dollars (\$400) per month payable on the first day of each month commencing March 1, 1981 (being at the rate of Four Thousand Eight Hundred Dollars (\$4,800) per year and being payable whether or not any material is mined or removed from said premises) and

(b) A royalty of fifty cents (.50¢) per ton of two thousand (2000) pounds of the above described materials in excess of nine thousand six hundred (9600) tons mined or removed from said demised premises. Said royalties to be accounted for and paid annually on the first day of March each year during the term hereof for all materials mined or removed from said premises in excess of 9600 tons during the preceding year, the first accounting being due March 1, 1982.

It is understood and agreed that each year shall be considered entirely separate and that no royalties paid by Lessee for excess materials removed shall be carried forward to any future year.

It is further agreed that the Lessee shall keep books of account for recording therein the amount of materials mined and removed and that said books shall be open for inspection of the Lessor, her agent or attorney, at the office of the Lessee during business hours for the purpose of comparing and verifying the accounts rendered.

2. Lessor covenants with Lessee as follows:

(a) To allow Lessee to have the right to have power lines and gas mains extended across property which Lessor owns or leases.

X (b) To grant to Lessee the right of egress, ingress and regress over and across the roadways upon land which the Lessor has leased to St. Regis Paper Company. Lessee agrees to share in the cost of maintaining said roadways, and to maintain roads covered in this lease. (c) To keep Lessor in peaceable possession of the premises during the continuance of this lease.

It is agreed and mutually covenanted that the said party of the second part, its legal representatives or assigns, may at any time during the continuance of this agreement, move or cause to be removed from the demised premises any buildings, fixtures, machinery or materials, which it shall have placed upon the said premises.

It is further understood and agreed that Lessee as a part of the consideration of this lease expressly releases the Lessor from any and all liability by reason of defects, known or unknown, latent or patent, which may now exist or which may exist during the continuance of this lease and Lessee hereby expressly agrees to indemnify Lessor for any loss or damage of any kind and description which may result from any accident which may occur on the leased premises during the continuance of this lease.

It is further agreed and understood by and between the parties that should the Lessee fail to pay the rent and rental royalties as the same shall become due or violate any of the other terms and conditions of this lease, and such breach of covenant or default in agreement shall continue more than thirty (30) days after notice is given Lessee by Lessor, Lessor shall have the right and option to re-enter the premises and annul this lease.

It is further agreed and understood that Lessee shall have the right and option to terminate this lease agreement by giving Lessor thirty (30) days written notice and by paying to Lessor the then due rents and royalties.

It is agreed and understood that the Lessee shall have no right to sublet all or any portion of the land herein leased, nor assign said lease to any person, firm or corporation, without first obtaining the written consent of the Lessor.

It is agreed and understood that this lease shall be binding upon the successors and assigns of the parties hereto.

IN TESTIMONY WHEREOF, the said parties hereunto set their hands and seals the day and year first above written.

Floyd R. Suddaway
Witness

Mrs. Etta Boles
Mrs. Etta Boles, LESSOR

ALABAMA REFRACTORY CLAY CO., INC.

Albert Motley
Witness

BY Catherine Smithson
Its Managers, LESSEE

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STATE OF ALA. SHELBY CO.
PROPERTY THIS
DEED WAS FILED
1982 NOV -3 AM 11:55
Thomas W. Shivers, Jr.
JUDGE OF PROBATE

adhd tax 48.00
Rec. 6.00
1.00

55.00