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[EXECUTION COPY]

STATE OF ALABAMA )

COUNTY OF SHELBY )

### MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (this "Mortgage") is made and entered into as of July 1, 1988, by and among The Industrial Development Board of the Town of Vincent, a public corporation organized and existing under the laws of the State of Alabama (the "Board") and EBSCO Industries, Inc., a Delaware corporation (the "Company"), as mortgagors (collectively, the "Mortgagors") and National Australia Bank Limited, a corporation organized and existing under the laws of the Commonwealth of Australia, acting by and through its New York Branch, as mortgagee (the "Bank").

#### RECITALS:

WHEREAS, at the request of the Company, the Board has agreed to issue its Industrial Revenue Bonds (EBSCO Industries Project) Series 1988 (the "Bonds") in the aggregate principal amount of \$3,000,000 pursuant to a Mortgage and Trust Indenture dated as of July 1, 1988 (the "Indenture") between the Board and AmSouth Bank, National Association;

WHEREAS, the proceeds of the Bonds are to be applied to the acquisition and construction of certain facilities described in the Indenture which will be leased by the Board to the Company pursuant to a Lease Agreement dated as of July 1, 1988 (the "Lease Agreement");

WHEREAS, to enhance the marketability of the Bonds, the Mortgagors have requested the Bank to issue an irrevocable letter of credit (the "Letter of Credit") to secure certain payments to be made with respect to the Bonds;

WHEREAS, the Company has entered into a Letter of Credit Reimbursement Agreement with the Bank dated as of July 1, 1988 (the "Reimbursement Agreement"), pursuant to which the

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✓ Remitted [redacted] [redacted]

Company has agreed to pay to the Bank, among other things, an amount equal to all amounts drawn under the Letter of Credit; and

WHEREAS, to secure the Company's obligations to the Bank under the Reimbursement Agreement and to induce the Bank to issue the Letter of Credit, the Mortgagors have entered into this Mortgage.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Bank to issue the Letter of Credit and in order to secure the payment of the following described indebtedness (collectively, the "Indebtedness"):

(a) All amounts owed or owing by the Company to the Bank pursuant to the Reimbursement Agreement, together with any modification, amendment, renewal or extension thereof; all other amounts owed or owing under the Related Documents (as defined in the Reimbursement Agreement), together with any modification, amendment, renewal or extension thereof; and to secure the performance of all of the covenants, terms and obligations of the Mortgagors, or either of them, under this Mortgage, the Reimbursement Agreement and the Related Documents, together with any modification, amendment, renewal or extension thereof;

(b) Any and all additional advances made by the Bank to protect or preserve the Premises (as hereinafter defined) or the lien and security interest created hereby on the Premises, or for taxes, assessments or insurance premiums as hereinafter provided or for performance of any of the Mortgagors' obligations hereunder or for any other purpose provided herein; and

(c) Any and all other indebtedness now owing or which may hereafter be owing by the Company to the Bank, now existing or hereafter coming into existence, however and whenever incurred or evidenced, whether express or implied, direct or indirect, absolute or contingent, or due or to become due, and all renewals, modifications, consolidations and extensions thereof except as may be otherwise provided in the instruments creating such other indebtedness:

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ARTICLE I

GRANTING CLAUSES

The Mortgagors do hereby grant, bargain, sell, convey, assign, transfer, pledge and set over unto the Bank and the successors and assigns of the Bank all of the property and interests in property described in the following Granting Clauses (a) through (f) (collectively, the "Premises"):

(a) The real estate and premises located in Shelby County, Alabama described in Exhibit A hereto, together with all buildings, structures and fixtures now or hereafter located thereon or therein, with the tenements, hereditaments, appurtenances, easements, rights, privileges and immunities thereunto belonging or appertaining (the "Real Estate").

(b) All machinery, equipment and personal property owned by the Board and acquired and installed in or about the buildings, structures and fixtures now or hereafter installed or located on the Real Estate, including without limitation any machinery, equipment and personal property acquired with the proceeds from the sale of the Bonds and the machinery, equipment and personal property described in Exhibit B hereto, and any machinery, equipment and personal property acquired in substitution therefor or as a renewal or replacement thereof pursuant to the terms of the Lease Agreement, the Indenture and this Mortgage.

(c) The rights of the Board under and pursuant to the Lease Agreement, and all lease rentals, revenues and receipts derived by the Board from the leasing or sale of the property described in Granting Clauses (a) and (b) above, including without limitation all rentals, revenues and receipts to be received by the Board under and pursuant to the Lease Agreement.

(d) All of the Company's leasehold estate and all other rights, title and interests of the Company under and pursuant to the Lease Agreement, together with all the rights, privileges and options set forth therein (including but not limited to the options set forth in Article XI of the Lease Agreement).

(e) (i) All leases and subleases, if any, written or oral, and all agreements for use or occupancy of any portion of the Real Estate with respect to which the Company is the lessor or sublessor,

including but not limited to any and all extensions and renewals of said leases, subleases and agreements and any and all further leases, subleases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Real Estate, all such leases, subleases, agreements and tenancies heretofore mentioned being hereinafter collectively referred to as the "Subleases";

(ii) Any and all guaranties of the sublessee's performance under any of the Subleases; and

(iii) The immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which the Company may now or shall hereafter (including during the period of redemption, if any) become entitled or may demand or claim, arising or issuing from or out of the Subleases or from or out of the Real Estate, or any part thereof, including but not limited to minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Subleases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Premises, together with any and all rights and claims of any kind which the Company may have against any such lessee under the Subleases or against any subtenants or occupants of the Premises.

(f) Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Bank as and for additional security hereunder by the Mortgagors, or either of them, or by anyone in the behalf of, or with the written consent of, the Mortgagors, or either of them.

SUBJECT, HOWEVER, to the Permitted Encumbrances described in Exhibit B attached hereto (the "Permitted Encumbrances").

All of the property described in the foregoing Granting Clauses (a) through (f) is herein sometimes together referred to as the "Premises".

TO HAVE AND TO HOLD the Premises, together with all the rights, privileges and appurtenances thereof, unto the Bank and the successors and assigns of the Bank forever.

[End of Article I]

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## ARTICLE II

### ASSIGNMENT OF CONDEMNATION AWARDS

As further security for the Indebtedness and the full and complete performance of each and every obligation, covenant, agreement and duty of the Mortgagors, or either of them, contained herein, in the Reimbursement Agreement or in the Related Documents (as defined in the Related Documents), or both, and to the extent of the full amount of the Indebtedness secured hereby and of the costs and expenses (including attorneys' fees) reasonably incurred by the Bank in the collection of any award or payment, the Mortgagors hereby assign to the Bank any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Mortgagors, or either of them, with respect to the Premises as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade or of any street or (c) any other injury to or decrease in value of the Premises. All such damages, condemnation proceeds and consideration shall be paid directly to the Bank, and after first applying said sums to the payment of costs and expenses (including attorneys' fees) reasonably incurred by the Bank in obtaining said sums, the Bank may, at its option, apply the balance on the Indebtedness in any order and whether or not then due, or hold such balance as a reserve against the Indebtedness, or apply such balance to the restoration of the Premises, or release the balance to the Company. Said application, holding in reserve or release shall not cure or waive any default of the Mortgagors.

[End of Article II]

## ARTICLE III

### COVENANTS OF COMPANY

Section 3.01. Payment of Indebtedness. The Company shall pay or cause to be paid the Indebtedness promptly as the same shall become due.

Section 3.02. Payment of Taxes and Other Assessments. The Company covenants and agrees that the Company will pay or cause to be paid all taxes, assessments and other governmental, municipal or other public dues, charges, fines or impositions imposed or levied upon the Premises or on the interests created by this Mortgage or with respect to the filing of this Mortgage or with respect to the Indebtedness or any document or instrument evidencing, securing or relating to the Indebtedness, and any tax or excise on rents or other tax, however described, assessed or levied by any state, federal or local taxing authority as a substitute, in whole or in part, for taxes assessed or imposed on the Premises or on the lien and other interests created by this Mortgage, and at least ten days before said taxes, assessments and other governmental charges are due, the Company will deliver receipts therefor to the Bank or, in the case of mortgage filing privilege taxes, pay to the Bank an amount equal to the taxes. The Company may, at its own expense, in good faith contest any such taxes, assessments and other governmental charges and, in the event of any such contest, may permit the taxes, assessments or other governmental charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided that during such period enforcement of such contested items shall be effectively stayed. If any tax or assessment is levied, assessed or imposed by any governmental authority on the Bank as a legal holder of any of the Indebtedness or any interest in this Mortgage (other than federal and state income taxes), then unless all such taxes and assessments are paid by the Company promptly after they become due and payable but in any event before they become delinquent (and in the opinion of counsel for the Bank, such payment by the Company is lawful and does not place the Bank in violation of any law), the Bank may, at its option, declare the existence of a Default under this Mortgage.

Section 3.03. Insurance.

(a) The Company shall procure for, deliver to and maintain for the benefit of the Bank during the term of this Mortgage, original fully paid insurance policies



providing the following types of insurance relating to the Premises, issued by such insurance companies, in such amounts, in such form and substance and with such expiration dates as are acceptable to the Bank:

(i) Insurance against loss and/or damage to the Premises under a policy or policies covering such risks as are ordinarily insured against with respect to similar facilities, including without limiting the generality of the foregoing, fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, vehicle or smoke and uniform standard extended coverage and vandalism and malicious mischief endorsements including boiler coverages. Such insurance against loss or damage shall also cover any additions to the Premises during the construction of any part thereof; provided that, to the extent that any contractor for such construction shall provide a duplicate insurance policy or a builder's risk policy or certificate of insurance showing that the same coverage as is herein required is being carried by such contractor, the insurance provided for by this paragraph (a) with respect to the Premises or a part thereof shall not be required for such construction period with respect to the additions to the Premises or such part thereof while the additions to the Premises or such part thereof is so covered by such other insurance. Such insurance shall be in an amount not less than the full insurable replacement value of the Premises, but any such policy may have a deductible amount of not more than \$10,000 for each occurrence and not more than \$100,000 for each year. 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 written consent of the Bank. The term "full insurable replacement value" shall mean the actual replacement cost of the Premises (excluding foundation and excavation costs and costs of underground flues, pipe, drains and other uninsurable items), and shall be determined from time to time at the request of the Bank, but not more frequently than once every year, by an architect, contractor, appraiser or appraisal company of one of the insurers.

(ii) Comprehensive general public liability insurance, including blanket contractual liability and personal injury liability (with employee exclusion deleted) protecting the Company against liability for injuries to persons and property with a combined single limit of liability coverage not less than \$1,000,000 for death of or bodily injury to any one person, \$3,000,000 for total death and bodily injury claims resulting from any one accident, and \$500,000 for property damage; and with maximum deductible amounts not more than \$10,000 for each occurrence and not more than \$100,000 for each year. Such insurance shall cover the Premises and shall also cover any additions to the Premises during the construction of any part thereof; provided that, to the extent that any contractor for such construction shall provide a duplicate insurance policy or a builder's risk policy or certificate of insurance showing that the same coverage as is hereby required is being carried by such contractor with respect to the additions to the Premises or a part thereof and adequately protects the interests of the Bank and the Company, the insurance provided for by this paragraph (ii) shall not be required with respect to the additions to the Premises or such part thereof while the additions to the Premises or such part thereof is so covered by such other insurance.

(iii) Loss of rent (or business interruption) insurance, covering interruption of the Company's operations in whole or in part by reason of the total or partial suspension of, or interruption in, the operation of the Premises, including its rental of buildings, caused by the damage to or destruction of any part of the Premises caused by any of the perils described in (i) above, with such exceptions as are customarily imposed by insurers, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure.

(iv) Worker's compensation insurance with respect to all employees of the Company and all persons engaged in work on the Premises, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure.

(v) Upon execution of any construction contract relating to the Premises and until the completion date of such construction, builder's risk insurance to the extent of the full insurable value of such portions of the Premises.

(b) All such policies shall name the Bank as named insured and provide that any losses payable thereunder shall (pursuant to loss payable clauses, in form and substance acceptable to the Bank, to be attached to each policy) be payable to the Bank and provide that the insurance provided thereby, as to the interest of the Bank, shall not be invalidated by any act or neglect of the Company, nor by the commencing of any proceedings by or against the Company in bankruptcy, insolvency, receivership or any other proceedings for the relief of a debtor, nor by any foreclosure, repossession or other proceedings relating to the property insured, nor by any occupation of such property or the use of such property for purposes more hazardous than permitted in the policy. The Company shall furnish to the Bank insurance certificates, in form and substance satisfactory to the Bank evidencing compliance by it with the terms of this Section 3.03 and, upon the request of the Bank at any time, the Company shall furnish the Bank with photostatic copies of the policies required by the terms of this Section 3.03. The Company will cause each insurer under each of the policies to agree (either by endorsement upon such policy or by letter addressed to the Bank) to give the Bank at least thirty (30) business days' prior written notice of the cancellation of such policies in whole or in part or the lapse of any coverage thereunder. The Company agrees that it will not take any action or fail to take any action which action or inaction would result in the invalidation of any insurance policy required hereunder. At least ten (10) days prior to the date the premiums on each such policy or policies shall become due and payable, the Company shall furnish to the Bank evidence of the payment of such premiums.

(c) The Bank is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies maintained pursuant to this Section 3.03, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make

payment for all such losses directly to the Bank, instead of to the Company and the Bank jointly. In the event any insurance company fails to disburse directly and solely to the Bank but disburses instead either solely to the Company or to the Company and the Bank jointly, the Company agrees immediately to endorse and transfer such proceeds to the Bank. Upon the failure of the Company to endorse and transfer such proceeds as aforesaid, the Bank may execute such endorsements or transfers for and in the name of the Company and the Company hereby irrevocably appoints the Bank as the Company's agent and attorney-in-fact so to do. After deducting from said insurance proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, the Bank shall apply the net proceeds or any part thereof, at its option, (i) to the payment of the Indebtedness, whether or not due and in whatever order the Bank elects or (ii) to the repair and/or restoration of the Premises, all without affecting the lien and security interest created by this Mortgage; and any balance of such moneys then remaining shall be paid to the Company or the person or entity lawfully entitled thereto. Any such application shall not cure or waive any Default hereunder. The Bank shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

(d) At least thirty (30) days prior to the expiration date of each policy maintained pursuant to this Section 3.03, a renewal or replacement thereof satisfactory to the Bank shall be delivered to the Bank. The Company shall deliver to the Bank receipts evidencing the payment for all such insurance policies and renewals or replacements. The delivery of any insurance policies hereunder shall constitute an assignment of all unearned premiums as further security hereunder. In the event of the foreclosure of this Mortgage or any other transfer of title to the Premises in extinguishment or partial extinguishment of the Indebtedness, all right, title and interest of the Company in and to all insurance policies then in force shall pass to the purchaser or to the Bank, as the case may be, and the Bank is hereby irrevocably appointed by the Company as attorney-in-fact for the Company to assign any such policy to said purchaser or to the Bank, as the case may be, without accounting to the Company for any unearned premiums thereon.

Section 3.04. Care of Premises.

(a) The Company will keep the buildings, parking areas, roads and walkways, recreational facilities, landscaping and all other improvements of any kind now or hereafter erected on the Real Estate or any part thereof in good condition and repair, will not commit or suffer any waste and will not do or suffer to be done anything which would or could increase the risk of fire or other hazard to the Premises or any part thereof or which would or could result in the cancellation of any insurance policy carried with respect to the Premises.

(b) (i) The Company will not remove, demolish or alter the structural character of any improvement located on the Real Estate without the prior written consent of the Bank; and

(ii) The Company will not remove or permit to be removed from the Real Estate any items which are or may hereafter be in any way attached or affixed to the Real Estate or to any improvement or improvements thereon or any items of personal property included in the Premises without the prior written consent of the Bank and unless any such items are replaced with like property of at least equal value and utility. The Company shall have the privilege of remodeling the Premises or making substitutions, modifications and improvements to the Premises from time to time as the Company, in its discretion, may deem to be desirable for the Company's use, the cost of which remodeling, substitutions, modifications and improvements shall be paid by the Company, and the Company's interest in the same shall be the property of the Company and be included under the terms of this Mortgage as part of the Premises (provided that tenant-owned property shall not be included in the Premises); provided, however, that such remodeling, substitutions, modifications and improvements shall not in any way damage the Premises, and provided that the Premises, as remodeled, improved or altered, upon completion of such remodeling, substitutions, modifications and improvements made pursuant hereto shall be of a value not less than the value of the Premises immediately prior to the remodeling or the making of substitutions, modifications or improvements. Any property for which a substitution or replacement is made

pursuant to this Section 3.04 may be disposed of by the Company in any manner and in the sole discretion of the Company. Notwithstanding anything to the contrary herein, the Company may obtain the release of items of the Leased Equipment (as defined in the Lease Agreement) from the lien and security interest of this Mortgage upon compliance with the terms of Section 6.2 of the Lease Agreement.

(c) The Company will give immediate written notice to the Bank if the Premises or any part thereof is damaged by fire or other casualty.

(d) The Company will permit the Bank or its agents or representatives to enter upon and inspect the Premises at any time during normal business hours, subject to the rights of any tenants of the Premises.

(e) Without the prior written consent of the Bank, the Company will not seek, make or consent to any change in the zoning or conditions of use of the Premises. The Company shall comply with and make all payments required under all environmental and other laws, ordinances, regulations, rules, covenants, conditions, restrictions, licenses and permits now or hereafter affecting the Premises or any part thereof or the business or activity conducted or to be conducted thereon, the noncompliance with which would adversely affect the ability of the Company to satisfy its obligations hereunder, under the Reimbursement Agreement or under the Related Documents. The Company shall not commit, suffer, permit or allow any act to be done in or on the Premises in violation of any such law, ordinance, regulation, rule, covenant, condition, restriction, license or permit, and the Company shall not permit any lien, charge or encumbrance to exist on the Premises, or any part thereof, in favor of any federal, state or local governmental authority or other person or organization under any of the same that might have priority over this Mortgage. The Company shall comply with all existing and future requirements of all governmental authorities having jurisdiction over the Premises. The Company shall not permit any hazardous or toxic materials (including without limitation asbestos) to be located, stored or dumped on, used in connection with, or used in the operation of, the Premises, or any part thereof. The Mortgagor agrees to indemnify and save harmless the Bank from and against all claims and losses asserted against or suffered by the Bank that are related to or arise out of (a) any default in the performance or nonperformance of the Company's covenants and agreements set forth in this Section 3.04 or (b) any clean up or removal of or other



remedial action with respect to, any toxic or hazardous substances (including without limitation asbestos) now or hereafter located on or included in the Premises, or any part thereof, that may be required by any governmental authority.

(f) If all or any part of the Premises shall be damaged by fire or other casualty, the Company will promptly restore the Premises to the equivalent of its original condition; and if a part of the Premises shall be damaged through condemnation, the Company will promptly restore, repair or alter the remaining portions of the Premises to their substantially same condition as existed prior to such damage or condemnation provided any insurance proceeds or condemnation award with respect thereto are made available to the Mortgagor for such purpose. Notwithstanding the foregoing, the Company shall not be obligated so to restore, repair or alter unless in each instance, the Bank agrees to make available to the Company (pursuant to a procedure satisfactory to the Bank) any net insurance or condemnation proceeds actually received by the Bank hereunder in connection with such casualty loss or condemnation, to the extent such proceeds are required to defray the expense of such restoration, repair or alteration; provided, however, that the insufficiency of any such insurance or condemnation proceeds to defray the entire expense of restoration, repair or alteration shall in no way relieve the Company of its obligation to restore, repair or alter. In the event all or any portion of the Premises shall be damaged or destroyed by fire or other casualty or by condemnation, the Company shall promptly deposit with the Bank a sum equal to the amount by which the estimated cost of the restoration of the Premises (as determined by an independent engineer or architect retained by the Bank at the expense of the Company in its good faith judgment) exceeds the actual net insurance or condemnation proceeds with respect to such damage or destruction.

Section 3.05. Compliance by Company with Lease Agreement. The Company shall comply, fully and faithfully, with all of its obligations under the Lease Agreement, so as to keep the Lease Agreement in full force and effect. If the Company fails or refuses to do so, the Bank may, but shall not be required to, perform any and all of such obligations of the Company under the Lease Agreement, including but not limited to the payment of any of all rent and other sums due from the Company thereunder. Any rent or other sums so paid by the Bank shall constitute part of the Indebtedness and

shall be secured hereby. To the extent this Mortgage imposes upon the Company obligations with respect to the Premises in addition to the obligations imposed upon the Company in the Lease Agreement, the Company shall comply, fully and faithfully, with all such additional obligations.

Section 3.06. Expenses. The Company will pay or reimburse the Bank, upon demand therefor, for all attorney's fees, costs and expenses incurred by the Bank in any suit, action, legal proceeding or dispute of any kind in which the Bank is made a party or appears as party plaintiff or defendant, affecting the Indebtedness, this Mortgage or the interest created hereby, or the Premises, including but not limited to, the exercise of the power of sale contained in this Mortgage, any condemnation action involving the Premises, any federal bankruptcy proceeding or state insolvency proceeding or other proceeding involving the priorities or rights of creditors, or any action to protect the lien and security interest hereof, and any such amounts paid by the Bank shall be added to the Indebtedness and shall be secured by this Mortgage.

[End of Article III]

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## ARTICLE IV

### REPRESENTATIONS, WARRANTIES AND COVENANTS OF MORTGAGORS

The Mortgagors, jointly and severally, represent, warrant and covenant that:

Section 4.01. Valid Title. The Board is lawfully seized of an indefeasible estate in fee simple in and to, and good title to, the Real Estate; the Company is lawfully seized of a valid leasehold estate under the terms of the Lease Agreement in the Premises which has not been assigned except as contemplated by this Mortgage; the Mortgagors have a good right to sell and mortgage, and grant a security interest in, the Premises; the Premises are subject to no liens, encumbrances or security interests other than Permitted Encumbrances; and the Mortgagors will forever warrant and defend the title to the Premises unto the Bank against the claims of all persons whomsoever, except those claiming under Permitted Encumbrances. It is expressly understood and agreed that this Mortgage is senior in priority to the lien and security interest created by the Indenture.

Section 4.02. Compliance by Board with Indenture. The Board shall comply, fully and faithfully, with all of its obligations under the Indenture. If the Board shall fail or refuse to do so, the Bank may, but shall not be required to, perform any or all of such obligations of the Board under the Indenture, including but not limited to the payment of any or all sums due from the Board thereunder. Any sums so paid by the Bank shall constitute part of the Indebtedness and shall be secured hereby.

Section 4.03. Maintenance of Lien Priority. The Mortgagors shall take all steps necessary to preserve and protect the validity and priority of the lien on and security interest in the Premises created hereby. The Mortgagors shall execute, acknowledge and deliver such additional instruments as the Bank may deem necessary in order to preserve, protect, continue, extend or maintain the lien and security interest created hereby as a lien on and security interest in the Premises subject only to Permitted Encumbrances, except as otherwise permitted under the terms of this Mortgage. All costs and expenses incurred in connection with the protection, preservation, continuation, extension or maintaining of the liens and security interests hereby created shall be paid by the Company.

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Section 4.04. Sale, Lease or Transfer of Premises.  
Notwithstanding any other provision of this Mortgage, neither the Premises, nor any part thereof, nor any interest therein, shall be (a) sold, assigned, transferred, conveyed, leased with an option to purchase, subleased, exchanged or otherwise disposed of, nor shall the Mortgagors, or either of them, contract with any person or entity for any of the foregoing, without the Bank's prior written consent or (b) subject to any additional lien, mortgage, security interest or other encumbrance, either voluntarily or involuntarily, without the Bank's prior written consent. Upon the occurrence of any such sale, assignment, transfer, conveyance, lease with an option to purchase, sublease, exchange, other disposition, contract, lien, mortgage, security interest or encumbrance, this Mortgage shall be deemed to be in Default at the option of the Bank.

[End of Article IV]

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## ARTICLE V

### DEFEASANCE, DEFAULTS AND REMEDIES

Section 5.01. Defeasance. If (a) the Company shall pay in full all of the Indebtedness (as defined herein), (b) the Mortgagors shall have kept and performed each and every obligation, covenant, duty, condition and agreement herein imposed on or agreed to by the Mortgagors and (c) the Letter of Credit shall then be no longer outstanding; then this conveyance and the grants and conveyances contained herein shall become null and void, and the Premises shall revert to the Mortgagors, and the entire estate, right, title and interest of the Bank will thereupon cease; and the Bank in such case shall, upon the request of the Mortgagors and at the Company's cost and expense, deliver to the Mortgagors proper instruments acknowledging satisfaction of this instrument and terminating all financing statements filed in connection herewith; otherwise, this Mortgage shall remain in full force and effect.

Section 5.02. Default. The terms "Default" or "Defaults", wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Mortgagors to pay as and when due and payable any portion of the Indebtedness, and continuation of such failure beyond the period of grace, if any, allowed with respect thereto in any document or instrument evidencing such Indebtedness; or

(b) The occurrence of a default or event of default under the Reimbursement Agreement, any of the Related Documents (as defined in the Reimbursement Agreement) or any other document or instrument evidencing or securing the Indebtedness, and continuation of such failure beyond the period of grace, if any, allowed with respect thereto.

Section 5.03. Rights and Remedies of the Bank Upon Default.

(a) Acceleration of Indebtedness. Upon the occurrence of a Default, or at any time thereafter, the Bank may at its option and without demand or notice to the Mortgagors, notify the Trustee that an Event of Default under this Mortgage and under the Reimbursement Agreement has occurred and is continuing and may declare

all or any part of the Indebtedness immediately due and payable, whereupon all such Indebtedness shall forthwith become due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Mortgagors, and the Bank may immediately enforce payment of all such amounts and may exercise any or all of its rights and remedies under this Mortgage, the Reimbursement Agreement, any of the Related Documents and applicable law. The Mortgagors also waive any and all rights the Mortgagors may have to a hearing before any judicial authority prior to the exercise by the Bank of any of its rights under this Mortgage, the Reimbursement Agreement, any of the Related Documents and applicable law.

(b) Operation of Premises by Bank. Upon the occurrence of a Default, or at any time thereafter, in addition to all other rights herein conferred on the Bank, the Bank (or any person, firm or corporation designated by the Bank) may, but shall not be obligated to, enter upon and take possession of any or all of the Premises, exclude the Mortgagors therefrom, and hold, use, administer, manage and operate the same to the extent that the Mortgagors could do so, without any liability to the Mortgagors resulting therefrom; and the Bank may collect, receive and receipt for all proceeds accruing from such operation and management, make repairs and purchase needed additional property, and exercise every power, right and privilege of the Mortgagors with respect to the Premises.

(c) Judicial Proceedings; Right to Receiver. Upon the occurrence of a Default, or at any time thereafter, the Bank, in lieu of or in addition to exercising the power of sale hereinafter given, may proceed by suit to foreclose its lien on and security interest in the Premises, to sue the Company for damages on account of or arising out of said Default, or for specific performance of any provision contained herein, or to enforce any other appropriate legal or equitable right or remedy. The Bank shall be entitled, as a matter of right, upon bill filed or other proper legal proceedings being commenced for the foreclosure of this Mortgage, to the appointment by any competent court or tribunal, without notice to the Mortgagors or any other party, of a receiver of the rents, issues and profits of the Premises, with power to lease and control the Premises and with such other powers as may be deemed necessary.

(d) Foreclosure Sale. Upon the occurrence of any Default, or at any time thereafter, this Mortgage shall be subject to foreclosure and may be foreclosed as now provided by law in case of past due mortgages, and the Bank shall be authorized, at its option, whether or not possession of the Premises is taken, after giving 21 days' notice by publication once a week for three consecutive weeks of the time, place and terms of each such sale by publication in some newspaper published in the county wherein the Premises or any part thereof is located, to sell the Premises (or such part or parts thereof as the Bank may from time to time elect to sell) in front of such county's courthouse door, at public outcry, to the highest bidder for cash. The Bank, its successors and assigns, may bid at any sale or sales had under the terms of this Mortgage and may purchase the Premises, or any part thereof, if the highest bidder therefor. The purchaser at any such sale or sales shall be under no obligation to see to the proper application of the purchase money. At any foreclosure sale, any part or all of the Premises, real, personal or mixed, may be offered for sale in parcels or en masse for one total price, the proceeds of any such sale en masse to be accounted for in one account without distinction between the items included therein or without assigning to them any proportion of such proceeds, the Mortgagors hereby waiving the application of any doctrine of marshalling or like proceeding. In case the Bank, in the exercise of the power of sale herein given, elects to sell the Premises in parts or parcels, sales thereof may be held from time to time, and the power of sale granted herein shall not be fully exercised until all of the Premises not previously sold shall have been sold or all the Indebtedness secured hereby shall have been paid in full. Without in any way limiting the generality of the foregoing provisions, it is expressly agreed that the Bank may, at its option, sell the part of the Premises described in Granting Clause (d) above separately from the remainder of the Premises.

(e) Personal Property and Fixtures. Upon the occurrence of a Default, or at any time thereafter, the Bank shall have and may exercise with respect to the personal property and fixtures included in the Premises (the "Collateral") all rights, remedies and powers of a secured party under the Alabama Uniform Commercial Code with reference to the Collateral or any other items in which a security interest has been granted herein, including without limitation the right and power to sell

at public or private sale or sales or otherwise dispose of, lease or utilize the Collateral and any part or parts thereof in any manner to the fullest extent authorized or permitted under the Alabama Uniform Commercial Code after Default hereunder, without regard to preservation of the Collateral or its value and without the necessity of a court order. The Bank shall have, among other rights, the right to take possession of the Collateral and to enter upon any premises where the same may be situated for the purpose of repossessing the same without being guilty of trespass and without liability for damages occasioned thereby and to take any action deemed appropriate or desirable by the Bank, at its option and in its sole discretion, to repair, restore or otherwise prepare the Collateral for sale, lease or other use or disposition. At the Bank's request, the Mortgagors shall assemble the Collateral and make the Collateral available to the Bank at any place designated by the Bank. To the extent permitted by law, the Mortgagors expressly waive any notice of sale or any other disposition of the Collateral and any rights or remedies of the Bank with respect to, and the formalities prescribed by law relative to, the sale or disposition of the Collateral or to the exercise of any other right or remedy of the Bank existing after Default. To the extent that such notice is required and cannot be waived, the Mortgagors agree that if such notice is given to the Mortgagors in accordance with the provisions of Section 6.13 below, at least five (5) days before the time of the sale or other disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving said notice.

The Mortgagors agree that the Bank may proceed to sell or dispose of both the real and personal property comprising the Premises in accordance with the rights and remedies granted under this Mortgage with respect to the real property covered hereby. The Mortgagors hereby grant the Bank the right, at its option after Default hereunder, to transfer at any time to itself or its nominee the Collateral or any part thereof and to receive the moneys, income, proceeds and benefits attributable to the same and to hold the same as Collateral or to apply it to the Indebtedness in such order and amounts and manner as the Bank may elect. The Mortgagors covenant and agree that all recitals in any instrument transferring, assigning, leasing or making other disposition of the Collateral or any part thereof shall be full proof of the matters stated therein and no



other proof shall be required to establish the legal propriety of the sale or other action taken by the Bank and that all prerequisites of sale shall be presumed conclusively to have been performed or to have occurred.

(f) Foreclosure Deeds. The Mortgagors hereby authorize and empower the Bank or the auctioneer at any foreclosure sale had hereunder, for and in the name of the Mortgagors, to execute and deliver to the purchaser or purchasers of any of the Premises sold at foreclosure good and sufficient deeds of conveyance or bills of sale thereto.

(g) Order of Application of Proceeds. All payments received by the Bank as proceeds of the Premises, or any part thereof, as well as any and all amounts realized by the Bank in connection with the enforcement of any right or remedy under or with respect to this Mortgage, shall be applied by the Bank as follows:

(i) to the payment of all necessary expenses incident to the execution of any foreclosure sale or sales or other remedies under this Mortgage, including reasonable attorneys' fees as provided herein, appraisal fees, title search fees and foreclosure notice costs;

(ii) to the payment in full of any of the Indebtedness whether or not due and payable (including without limitation principal, accrued interest and all other sums secured hereby) and to the payment of attorneys' fees as provided herein, all in such order as the Bank may elect in its sole discretion; and

(iii) the remainder, if any, shall be paid to the Mortgagor or such other person or persons as may be entitled thereto by law, after deducting therefrom the cost of ascertaining their identity.

(h) Multiple Sales. Upon the occurrence of any Default, or at any time thereafter, the Bank shall have the option to proceed with foreclosure, either through the courts or by proceeding with foreclosure as provided for in this Mortgage, but without declaring the whole Indebtedness due. Any such sale may be made subject to the unmatured part of the Indebtedness secured by this Mortgage, and such sale, if so made, shall not in any

manner affect the unmatured part of the Indebtedness secured by this Mortgage but as to such unmatured part of the Indebtedness, this Mortgage shall remain in full force and effect as though no sale had been made under the provisions of this paragraph. Several sales may be made under the provisions of this paragraph without exhausting the right of sale for any remaining part of the Indebtedness whether then matured or unmatured, the purpose hereof being to provide for a foreclosure and sale of the Premises for any matured part of the Indebtedness without exhausting any power of foreclosure and the power to sell the Premises for any other part of the Indebtedness, whether matured at the time or subsequently maturing.

(i) Waiver of Appraisement Laws. The Mortgagors waive, to the fullest extent permitted by law, the benefit of all laws now existing or hereafter enacted providing for (i) any appraisement before sale of any portion of the Premises (commonly known as appraisement laws) or (ii) any extension of time for the enforcement of the collection of the Indebtedness or any creation or extension of a period of redemption from any sale made in collecting the Indebtedness (commonly known as stay laws and redemption laws).

(j) Prerequisites of Sales. In case of any sale of the Premises as authorized by this Section 5.03, all prerequisites to the sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the nonpayment of any of the Indebtedness or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true.

[End of Article V]



## ARTICLE VI

### MISCELLANEOUS

Section 6.01. No Obligations of Bank; Indemnification. The Bank shall not by virtue of this Mortgage or otherwise assume any duties, responsibilities, liabilities or obligations with respect to the Premises or any part thereof (unless expressly assumed by the Bank under a separate agreement in writing), and this Mortgage shall not be deemed to confer on the Bank any duties or obligations that would make the Bank directly or derivatively liable for any person's negligent, reckless or willful conduct. The Company agrees to defend, indemnify and hold harmless the Bank from and against any and all claims, causes of action, judgments and other loss, cost and expense (collectively called "claims and losses") relating to or arising out of any default in the Mortgagors' performance of its representations, warranties, covenants, agreements, duties, responsibilities and obligations under this Mortgage or with respect to the Premises or any part thereof. The provisions of this Section 6.01 shall survive the payment of the Indebtedness in full and the termination, satisfaction, release (in whole or in part) and foreclosure of this Mortgage with respect to claims and losses asserted against or suffered by the Bank.

Section 6.02. Construction of Mortgage. This Mortgage is and may be construed as a mortgage, deed to secure debt, deed of trust, chattel mortgage, conveyance assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the lien hereof and the assignment and security interest created hereby and the purposes and agreements herein set forth.

Section 6.03. Successors and Assigns. This Mortgage shall inure to the benefit of and shall bind each of the parties hereto and their respective heirs, personal representatives, successors, successors-in-title and assigns.

Section 6.04. Waiver and Election. The exercise by the Bank of any option given under the terms of this Mortgage shall not be considered as a waiver of the right to exercise any other option given herein, and the filing of a suit to foreclose the lien and security interest granted by this Mortgage, either on any matured portion of the Indebtedness or for the whole of the Indebtedness, shall not be considered an election so as to preclude foreclosure under power of

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sale after a dismissal of the suit; nor shall the publication of notices for foreclosure preclude the prosecution of a later suit thereon. No failure or delay on the part of the Bank in exercising any right, power or remedy under this Mortgage shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or thereunder. The remedies provided in this Mortgage and in the Reimbursement Agreement and the Related Documents are cumulative and not exclusive of any remedies provided by law. No amendment, modification, termination or waiver of any provisions of this Mortgage, the Reimbursement Agreement or any of the Related Documents, nor consent to any departure by the Mortgagors therefrom, shall be effective unless the same shall be in writing and signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Mortgagors, or either of them, in any case shall entitle the Mortgagors, or either of them, to any other or further notice or demand in similar or other circumstances. The Mortgagors hereby waive the right to trial by jury in any action arising out of or related to the Indebtedness, this Mortgage, the Reimbursement Agreement, any of the Related Documents or any of the transactions contemplated thereby.

Section 6.05. Landlord Tenant Relationship. Any sale of the Premises under this Mortgage shall, without further notice, create the relationship of landlord and tenant at sufferance between the purchaser and the Mortgagors.

Section 6.06. Enforceability. If any provision of this Mortgage is now or at any time hereafter becomes invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and the remaining provisions hereof shall be construed in favor of the Bank to effectuate the provisions hereof.

Section 6.07. Application of Payments. If the lien and security interest created by this Mortgage is invalid or unenforceable as to any part of the Indebtedness or is invalid or unenforceable as to any part of the Premises, the unsecured or partially secured portion of the Indebtedness shall be completely paid prior to the payment of the remaining secured or partially secured portion of the Indebtedness, and all payments made on the Indebtedness, whether voluntary or under foreclosure or other enforcement

action or procedures, shall be considered to have been first paid on and applied to the full payment of that portion of the Indebtedness that is not secured or not fully secured by said lien, assignment or security interest created hereby.

Section 6.08. Other Mortgages Encumbering the Premises. The Mortgagors hereby authorize the holder of any other mortgage encumbering the Premises or any part thereof to disclose to the Bank from time to time and at any time the following information: (a) the amount of indebtedness secured by such mortgage; (b) the amount of such indebtedness that is unpaid; (c) whether such indebtedness is or has been in arrears; (d) whether there is or has been any default with respect to such mortgage or the indebtedness secured thereby; and (e) any other information regarding such mortgage or the indebtedness secured thereby that the Bank may request from time to time. The Mortgagors expressly agree to comply with the terms of any other mortgage encumbering the Premises or any part thereof and agree not to consent to or permit any amendment or modification thereof without the prior written consent of the Bank. The Mortgagors further agree that if default should be made in the payment of principal, interest or any other amount secured by any other mortgage encumbering the Premises or any part thereof, the Bank may (but shall not be required to) pay all or any part of such amount in default, without notice to the Mortgagors. The Company agrees to repay any such amount advanced upon demand, with interest from the date such advance is made at the Default Rate provided for in the Reimbursement Agreement, or the highest rate permitted by law, whichever shall be less, and any amount so advanced with interest shall be a part of the Indebtedness secured by this Mortgage.

Section 6.09. Meaning of Particular Terms. Whenever used, the singular number shall include the plural and the plural the singular, and pronouns of one gender shall include all genders; and the terms "Mortgagors", "Board", "Company" and "Bank" shall include their respective heirs, personal representatives, successors and assigns.

Section 6.10. Advances by Bank. If the Mortgagors shall fail to comply with the provisions hereof with respect to the securing of insurance, the payment of taxes, assessments and other charges, the keeping of the Premises in repair, the payment or performance of any prior mortgages, or the performance of any other term or covenant herein contained, the Bank may (but shall not be required to) make advances to perform the same, and where necessary enter the

Premises for the purpose of performing any such term or covenant. The Company agrees to repay all such sums advanced upon demand, with interest from the date such advances are made, at the Default Rate provided for in the Reimbursement Agreement, or the highest rate permitted by law, whichever shall be less, and all sums so advanced with interest shall be a part of the Indebtedness and shall be secured hereby. The making of any such advances shall not be construed as a waiver by the Bank of any Default resulting from the Company's failure to pay the amounts paid.

Section 6.11. Release or Extension by Bank. The Bank, without notice to the Mortgagors and without in any way affecting the rights of the Bank hereunder as to any part of the Premises not expressly released, may release any part of the Premises or any person liable for any of the Indebtedness and may agree with any party with an interest in the Premises to extend the time for payment of all or any part of the Indebtedness or to waive the prompt and full performance of any term, condition or covenant of this Mortgage, the Reimbursement Agreement or any of the Related Documents.

Section 6.12. Partial Payments. Acceptance by the Bank of any payment of less than the full amount due on the Indebtedness shall be deemed acceptance on account only, and the failure of the Company to pay the entire amount then due shall be and continue to constitute a Default, and at any time thereafter and until the entire amount due on the Indebtedness has been paid, the Bank shall be entitled to exercise all rights conferred on it by the terms of this Mortgage in case of the occurrence of a Default.

Section 6.13. Addresses for Notices. All notices, requests, demands and other communications provided for hereunder shall be in writing or by telex, telegram or cable and mailed or sent or delivered to the applicable party at its address indicated below or at such other address as shall be designated by such party in a written notice to the other parties thereto:

If to the Company: EBSCO Industries, Inc.  
Post Office Box 1943  
Birmingham, AL 35201  
Attention: Treasurer

If to the Board: The Industrial Development Board  
of the Town of Vincent  
Town Hall  
Vincent, AL 35217

If to the Bank:

National Australia Bank Limited  
New York Branch  
Pan Am Building  
200 Park Avenue  
New York, NY 10166  
Attention: Manager, Letter of  
Credit Department  
Telephone No.: (212) 916-9550  
Telecopy No.: (212) 949-6124  
Telex No.: 3767081

With a copy to:

National Australia Bank Limited  
Atlanta Representative Office  
Suite 2200--South Tower  
225 Peachtree Street, N.E.  
Atlanta, GA 30303  
Telephone No.: (404) 688-5018  
Telecopy No.: (404) 688-5747  
Telex No.: 3724027 NATAUS ATLANTA

Section 6.14. Titles. All section, paragraph, subparagraph or other titles contained in this Mortgage are for reference purposes only, and this Mortgage shall be construed without reference to said titles.

Section 6.15. Board Not Liable. No covenant or agreement contained in this Mortgage nor any obligation herein imposed upon the Board, or the breach thereof, shall constitute or give rise to or impose upon the Board a pecuniary liability or a charge upon its general credit or property other than the Premises. All obligations incurred by the Board are payable solely from and are limited to the rentals, revenues and receipts derived from or in connection with the Premises and the moneys received under the Lease Agreement, and nothing in this Mortgage shall be considered as pledging any other funds or assets of the Board. The Town of Vincent, Alabama is not liable for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which is undertaken by the Board. No agreement of the Board shall be construed to constitute an indebtedness of the Town of Vincent, Alabama within the meaning of any constitutional or statutory provision whatever.

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IN WITNESS WHEREOF, the Board, the Company and the Bank have executed this instrument on the day and year first above written.

THE INDUSTRIAL DEVELOPMENT  
BOARD OF THE TOWN OF VINCENT

Attest:

By  
Its

*Nut Hominif*  
Secretary

By


*Calvin L. Smith*  
Name CALVIN L. SMITH  
Title CHAIRMAN


[Signatures continued on following page]

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EBSCO INDUSTRIES, INC.

Attest:

By   
Its Asst. Sec.


By   
Name J. T. Stephens  
Title Pres.

[Signatures continued on following pages]

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BOOK 199 PAGE 829

NATIONAL AUSTRALIA BANK  
LIMITED, acting by and through  
its New York Branch

By   
Name JUAN F. LAGO  
Title VICE PRESIDENT



STATE OF ALABAMA )

COUNTY OF ~~SHELBY~~ )  
JEFFERSON

ACKNOWLEDGMENT FOR CORPORATION

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that J. T. Stephens, whose name as President of EBSCO Industries, Inc., a Delaware corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 17th day of August, 1988.

Cecilia C. Johns  
Notary Public

My Commission expires:

6-2-90

[NOTARY SEAL]

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STATE OF ALABAMA )

COUNTY OF ~~SHELBY~~  
JEFFERSON )

ACKNOWLEDGMENT FOR CORPORATION

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that Calvin L. Smith, whose name as Chm. of the Bd. of Directors of The Industrial Development Board of the Town of Vincent, a public corporation organized and existing under the laws of the State of Alabama, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 17th day of August, 1988.

Celeste C. Johns  
Notary Public

My Commission expires:

6-2-90

[NOTARY SEAL]

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STATE OF ALABAMA )

COUNTY OF ~~SHELBY~~ )  
JEFFERSON

ACKNOWLEDGMENT FOR CORPORATION

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that Juan F. Lago, whose name as Vice President of National Australia Bank Limited, a corporation organized and existing under the laws of the Commonwealth of Australia, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 17<sup>th</sup> day of August, 1988.

Celeste C. Johns  
Notary Public

My Commission expires:

6-2-90

[NOTARY SEAL]

EXHIBIT A  
DESCRIPTION OF REAL ESTATE

Commence at the Northeast corner of the Southeast 1/4 of Section 23, Township 19 South, Range 2 East, and proceed thence South 2 deg. 49 min East 2582.27 feet along the East boundary line of the said Southeast 1/4; thence turn an angle of 90 deg. 34 min. to the right and proceed South 87 deg. 45 min. West, 252.85 feet to the point of beginning of the tract herein described, the said point of beginning being located on the North boundary of the right of way of County Highway 85; thence turn an angle of 60 deg. 00 min. to the right and proceed 1520.0 feet; thence turn an angle of 90 deg. 00 min. to the left and proceed 700.0 feet; thence turn an angle of 90 deg. 00 min. to the left and proceed 1115.55 feet to a point on the North boundary of the right of way of County Highway 85; thence proceed East 808.7 feet along the North boundary of the right of way of County Highway 85 to the said point of beginning. Excepting from the tract herein described the rights of way for roads, streets, and other public ways described in the plat of the Vincent Industrial Park, recorded in Map Book 5 at page 37 in the Office of the Probate Judge of Shelby County, Alabama, the said tract lying entirely in the Southeast 1/4 of Section 23, Township 19 South, Range 2 East, in Shelby County, Alabama.

EXHIBIT B

DESCRIPTION OF MACHINERY, EQUIPMENT  
AND PERSONAL PROPERTY

Heat Sealing Equipment  
Drive-in Rack  
Squeeze Sharpner  
Table and Chairs  
Forklifts  
Walkies  
Floor Mats  
Conveyors  
Warehouse Racks

EXHIBIT C

DESCRIPTION OF PERMITTED ENCUMBRANCES

1. Liens for ad valorem taxes and special assessments which are not yet due and payable.
2. Right-of-way granted to South Central Bell by instrument recorded in Deed Book 353, page 819 in the Probate Office of Shelby County, Alabama.
3. Lease Agreement between The Industrial Development Board of the Town of Vincent and EBSCO Industries, Inc., dated March 1, 1968, and recorded in Deed Book 257, page 436 in the Probate Office of Shelby County, Alabama.
4. Mortgage Indenture and Deed of Trust between The Industrial Development Board of the Town of Vincent and South Trust Bank of Alabama, National Association (formerly Birmingham Trust National Bank), dated March 1, 1968, and recorded in Mortgage Book 311, page 201 in the Probate Office of Shelby County, Alabama.

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STATE OF ALA. SHELBY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED:

88 AUG 17 PM 4: 14

*Thomas A. Snowden, Jr.*  
JUDGE OF PROBATE

RECORDING FEES  
Recording Fee \$ 92.50  
Index Fee 1.00  
TOTAL 93.50