
MORTGAGE AND INDENTURE

Inst # 1994-03968

**The Industrial Development Board
of the Town of Pelham**

To

**AmSouth Bank, National Association
Birmingham, Alabama**

As Bondholder

(Supreme Partners, L.L.C. Project)

Dated as of January 1, 1994

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Inst # 1994-03968

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SHELBY COUNTY JUDGE OF PROBATE
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MORTGAGE AND INDENTURE

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and is only for convenience of reference)

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MORTGAGE AND INDENTURE

THIS MORTGAGE AND INDENTURE dated as of January 1, 1994 is entered into by THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF PELHAM, a public corporation organized under the laws of the State of Alabama (the "Issuer"), and AMSOUTH BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in the City of Birmingham, Alabama (the "Bondholder").

Recitals

The Issuer has duly authorized the creation, execution and delivery from time to time of its revenue bonds of substantially the tenor hereinafter provided, (collectively referred to in the following recitals as the "Bonds"), issuable severally in one or more series; and, to secure the Bonds and to provide for their issuance and delivery, the Issuer has duly authorized the execution and delivery of this Indenture.

The first series of Bonds to be issued under this Indenture shall be in the aggregate principal amount of not more than \$500,000 and shall be designated "Industrial Development Revenue Bonds, Series A (Supreme Partners, L.L.C. Project)", herein referred to as the "Series A Bonds". The proceeds of the Series A Bonds shall be applied by the Issuer to pay the costs of acquiring certain real estate in the City of Pelham and acquiring, constructing and installing thereon improvements, structures, facilities, fixtures and related personal property for the manufacturing, processing and assembling of actuators and related products (such real property, improvements, structures, facilities, fixtures, and related personal property being hereinafter collectively referred to as the "Series A Facilities"). The Series A Facilities and any additional facilities acquired or constructed with the proceeds of any additional Bonds issued pursuant to this Indenture are hereinafter collectively referred to as the "Project".

Simultaneously with the delivery of this Indenture the Issuer and Supreme Partners, L.L.C., a Alabama corporation (the "Corporation"), have entered into a Lease Agreement dated as of January 1, 1994 (the "Lease Agreement"), whereby the Issuer has agreed to lease the Project to the Corporation and the Corporation has agreed to pay rentals to the Issuer at times and in amounts sufficient to pay when due the principal of and interest on the Bonds. The Corporation shall sublease the Series A Facilities to Keystone Morin, Inc., an Alabama corporation (the "Sublessee User") for the aforesaid purposes.

The Bonds shall be limited obligations of the Issuer payable solely out of the rentals payable by the Corporation pursuant to the Lease Agreement and any other revenues, rentals or receipts derived by the Issuer from the leasing or sale of the Project. Pursuant to this Indenture, as security for the payment of the

Bonds, the Issuer shall assign and pledge to the Bondholder all right, title and interest of the Issuer in and to the Lease Agreement (except for certain rights to indemnification and reimbursement of expenses granted to the Issuer) and shall mortgage the Project to the Bondholder.

As additional security for the payment of the Bonds, the Corporation and J.B. Schilleci, Ben Miree and Wes Taylor, as members and owners of the Corporation, have guaranteed the payment of the Series A Bonds pursuant to a Bond Guaranty Agreement dated as of January 1, 1994 (the "Guaranty") to the Bondholder (such parties to the Guaranty being herein collectively referred to as the "Guarantors") and the Corporation has assigned to the Bondholder its interests as sublessor under the aforesaid sublease to the Sublessee User and under all other subleases of the Project and all rents payable thereunder pursuant to an Assignment of Rents and Leases dated as of January 1, 1994 (the "Assignment").

All things have been done which are necessary to make the Bonds, when executed and issued by the Issuer hereunder, the valid obligations of the Issuer, and to constitute this Indenture a valid mortgage and indenture and a security agreement and contract for the security of the Bonds, in accordance with the terms of the Bonds and this Indenture.

NOW THEREFORE, THIS INDENTURE WITNESSETH:

It is hereby covenanted and declared that all the Bonds are to be issued and the property subject to this Indenture (hereinafter referred to as the "Mortgaged Property") is to be held and applied, subject to the covenants, conditions and trusts hereinafter set forth, and the Issuer does hereby covenant and agree to and with the Bondholder, as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.01 Definitions

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular.

(2) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting

principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(3) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(4) The terms "herein", "hereof " and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(5) The term "person" shall include any individual, corporation, partnership, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

Additional Bonds shall mean each series of additional bonds issued pursuant to Article 7 of this Indenture.

Authorized Corporation Representative shall mean any member of the Corporation or any agent of the Corporation authorized by the Corporation to act as "Authorized Corporation Representative" under this Indenture, as evidenced by a certificate of a majority of the members of the Corporation.

Authorized Issuer Representative shall mean the Chairman or Vice-Chairman of the Board of Directors of the Issuer or the Secretary or Treasurer of the Issuer or any other officer or agent of the Issuer authorized by the board of directors of the Issuer to act as "Authorized Issuer Representative" under this Indenture.

Bond shall mean collectively any Bond executed and delivered pursuant to this Indenture or any indenture supplemental hereto.

Bondholder shall mean the person named as the "Bondholder" in the first paragraph of this Indenture and its successors and assigns, as the Bondholder of the Bonds.

Bond Register shall mean the register or registers for the registration and transfer of Bonds maintained by the Issuer pursuant to Section 4.03.

Bond Registrar shall mean the agent of the Issuer appointed as such pursuant to Section 4.03 for the purpose of registering Bonds and transfers of Bonds.

Buildings shall mean the buildings, structures and improvements now or hereafter located on the Project Site, as they may at any time exist.

Business Day shall mean a day other than a Saturday or a Sunday, on which commercial banking institutions are open for business in the State.

Corporation shall mean the entity named as the "Corporation" in the recitals to this Indenture.

Counsel shall mean a person qualified to practice law in any State of the United States or in the District of Columbia who shall be appointed by the Corporation and acceptable to the Bondholder.

Enabling Law shall mean Division 1, Article 4, Chapter 54, Title 11 (Section 11-54-80 et seq. of the Code of Alabama 1975).

Equipment shall have the meaning assigned in Granting Clause III.

Event of Default shall have the meaning assigned in Article 10. An Event of Default shall "exist" if an Event of Default shall have occurred and be continuing.

Guarantors shall mean the "Guarantors" in the recitals to this instrument.

Guaranty shall have the meaning assigned thereto in the Recitals to this Indenture.

Improvements shall have the meaning assigned in Granting Clause II.

Indenture shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto.

Independent, when used with respect to any person, shall mean a person who (1) is in fact independent, (2) does not have any direct financial interest or any material indirect financial interest in the Corporation, the Guarantor, the Issuer or in any other obligor upon the Bonds or in any affiliate of the Corporation, the Guarantor, the Issuer or of such other obligor, and (3) is not connected with the Corporation, the Guarantor, the Issuer or such other obligor as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

Issuer shall mean the person named as the "Issuer" in the first paragraph of this Indenture until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Issuer" shall mean such successor corporation.

Lease Agreement shall mean that certain Lease Agreement dated as of January 1, 1994, between the Issuer and the Corporation, including any amendments or supplements to such instrument.

Mortgaged Property shall have the meaning assigned in the habendum to the Granting Clauses.

Municipality shall mean the City of Pelham, Alabama.

Outstanding when used with respect to Bonds shall mean, as of the date of determination, all Bonds theretofore executed and delivered under this Indenture, except (1) Bonds theretofore canceled by the Issuer or (2) Bonds in exchange for or in lieu of which other bonds have been issued under this Indenture.

Paying Agent shall mean any person authorized by the Issuer to pay the principal of or interest on any Bonds on behalf of the Issuer.

Permitted Encumbrances shall mean: (1) the Lease Agreement and the Sublease, (2) liens for taxes, assessments and other governmental charges that are not delinquent or are currently being contested in good faith by appropriate proceedings and for which adequate reserves have been established by the Corporation, (3) mechanics', workmen's, repairmen's, materialmen's, warehouseman's and carrier's liens and other similar liens for charges which are not delinquent or which are being contested in good faith by appropriate proceedings and for which, in the opinion of the Bondholder, adequate reserves have been established by the Corporation, and (4) such minor defects, irregularities and encumbrances as do not, in the opinion of Bondholder, in the aggregate materially impair the use of the Project, taken as a whole, for the purposes for which it is held by the Issuer.

Project shall mean collectively the Project Site, the Improvements, the Equipment, all other property and rights referred to or intended so to be in Granting Clauses I through III, inclusive, hereof, and any additional facilities acquired or constructed with the proceeds of any Additional Bonds issued pursuant to this Indenture.

Project Site shall mean the real estate and related interests described in Granting Clause I.

Qualified Investments shall mean: (1) direct obligations of, or obligations the payment of which is guaranteed by, the United States of America, (2) a certificate of deposit or time deposit issued by any bank organized under the laws of the United States of America or any state thereof, or (3) any other investment then permitted by law for the investment of public funds.

Series A Bonds shall mean the Bonds issued pursuant to Article 6.

Series A Construction Fund shall mean the fund established pursuant to Section 6.04.

Series A Facilities shall mean that portion of the Project to be acquired or constructed with the proceeds of the Series A Bonds or with funds advanced or paid by the Corporation pursuant to Article 4 of the Lease Agreement.

Series A Facilities Costs shall have the meaning assigned in the Lease Agreement.

Special Funds shall mean the Series A Construction Fund and any other fund or account established pursuant to this Indenture or any indenture supplemental hereto in connection with the issuance of Additional Bonds.

State means the State of Alabama.

Sublease shall mean that certain Lease Agreement dated as of January 1, 1994 between the Corporation, as lessor, and the Sublessee User, as lessee, with respect to the Series A Facilities.

Sublessee User shall mean the entity named as the "Sublessee User" in the recitals hereto.

SECTION 1.02 Date of Indenture

The date of this Indenture is intended as and for a date for the convenient identification of this Indenture and is not intended to indicate that this Indenture was executed and delivered on said date, this Indenture being executed on the dates of the respective acknowledgments hereto attached.

SECTION 1.03 Separability Clause

If any provision in this Indenture or in the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

SECTION 1.04 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.05 Successors and Assigns

All the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of the Issuer or the Bondholder or either of them shall inure to the benefit of and bind their respective successors and assigns, whether so expressed or not.

SECTION 1.06 Benefits of Indenture

Nothing in this Indenture or in the Bonds, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, and the Corporation, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 1.07 Governing Law

This Indenture shall be construed in accordance with and governed by the laws of the State.

SECTION 1.08 Counterparts

This Indenture 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 1.09 Notices

Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, or sent by overnight courier, addressed as provided in the Lease Agreement. A duplicate copy of each notice required to be given hereunder by either the Issuer or the Bondholder shall also be given to the Corporation, and a duplicate copy of each notice required to be given hereunder by the Bondholder to either the Issuer or the Corporation shall also be given to the other. The Issuer, the Corporation, and the Bondholder may, by notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

ARTICLE 2

Granting Clauses

To secure the payment of the principal of and interest on the Bonds and the performance of the covenants herein and in the Bonds contained, and to declare the terms and conditions on which the Bonds are issued and secured, and in consideration of the premises and of the purchase of the Bonds, the Issuer by these presents does

hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over, and confirm unto the Bondholder, and grant to the Bondholder security title to and a continuing security in, all and singular the following described property:

I.

The real property described on Exhibit A hereto together with all easements, permits, licenses, rights-of-way, contracts, leases, tenements, hereditaments, appurtenances, rights, privileges, powers, claims, options and benefits pertaining or applicable to said real property (the "Project Site").

II.

All buildings, structures, additions, improvements, modifications, and fixtures now or hereafter constructed, installed or situated on the Project Site (the "Improvements").

III.

The machinery, equipment, personal property and fixtures described on Exhibit B attached hereto and all other machinery, equipment, personal property and fixtures acquired with the proceeds of the Bonds or with funds advanced or paid by the Corporation pursuant to the Lease Agreement, together with all personal property and fixtures acquired in substitution therefor or as a renewal or replacement thereof, and the proceeds thereof (the "Equipment").

IV.

All awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Issuer with respect to the Project as a result of the exercise of the right of eminent domain, any damage to or destruction of the Project or any part thereof, or any other injury to or decrease in the value of the Project, and all right, title and interest of the Issuer in and to any policies of insurance with respect to any damage to or destruction of the Project.

V.

All revenues, rentals and receipts derived by the Issuer from the leasing or sale of the Project, including without limitation all revenues, rentals and receipts derived from the Lease Agreement.

VI.

All right, title and interest of the Issuer in and to the Lease Agreement (except for the right to indemnification and reimbursement of expenses granted to the Issuer pursuant to the Lease Agreement), together with all powers, privileges, options and other benefits of the Issuer contained in the Lease Agreement; provided, however, that nothing contained in this clause shall impair, diminish or otherwise affect the Issuer's obligations under the Lease Agreement or, except as otherwise provided in this Indenture, impose any such obligations on the Bondholder.

VII.

Money and investments from time to time on deposit in, or forming a part of, the Special Funds, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein.

VIII.

Any and all property of every kind or description which may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Indenture as additional security by the Issuer or anyone on its part or with its written consent, or which pursuant to any of the provisions hereof or of the Lease Agreement may come into the possession or control of the Bondholder or a receiver appointed pursuant to this Indenture, and the Bondholder is hereby authorized to receive any and all such property as and for additional security for the Bonds and to hold and apply all such property subject to the terms hereof.

TO HAVE AND TO HOLD all said property, rights and privileges of every kind and description, real, personal or mixed, hereby and hereafter (by supplemental indenture or otherwise) granted, bargained, sold, aliened, remised, released, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, set over or confirmed or in which a security interest may be granted, all as aforesaid, or intended, agreed or covenanted so to be, together with all the appurtenances thereto appertaining (said property, rights and privileges being herein collectively called the "Mortgaged Property") unto the Bondholder and its successors and assigns forever;

SUBJECT, HOWEVER, to Permitted Encumbrances;

PROVIDED, HOWEVER, that if the Issuer shall pay, or cause to be paid, the principal of and interest on the Bonds at the times and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, and shall keep, perform and observe all the covenants and agreements of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to

the Bondholder all sums of money due or to become due to it in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease, determine and be void; and thereupon, the Bondholder shall cancel and discharge the lien of this Indenture and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien hereof, and assign and deliver to the Issuer any property at the time subject to the lien of this Indenture which may then be in its possession; otherwise this Indenture shall be and remain in full force and effect.

ARTICLE 3

Source of Payment; Limited Liability

SECTION 3.01 Source of Payment of Bonds and Other Obligations; Disclaimer of General Liability

(a) The principal of and interest on the Bonds and any other payments required by this Indenture shall be payable solely out of the rentals payable by the Corporation pursuant to the Lease Agreement and any other revenues, rentals or receipts derived by the Issuer from the leasing or sale of the Project. The covenants and agreements contained herein and in the Bonds do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the general credit or property of the Issuer, and in the event of a breach of any such covenant or agreement, no personal or pecuniary liability or charge payable directly or indirectly from the general assets or revenues of the Issuer (other than the Mortgaged Property) shall arise therefrom. Nothing contained in this Section, however, shall relieve the Issuer from the observance and performance of the several covenants and agreements on its part contained herein or in the Bonds.

(b) Payment of the Bonds shall be secured by the Mortgaged Property. The Bonds are also secured by the Guaranty and may be paid from money collected by the Bondholder pursuant to such instrument.

(c) The Bonds and any other payments required by this Indenture shall never constitute an indebtedness of the Municipality within the meaning of any constitutional provision or statutory limitation whatsoever and shall never constitute or give rise to a pecuniary liability of the Municipality or a charge against its general credit or taxing powers.

SECTION 3.02 Incorporators, Officers and Members of Board of Directors of Issuer Exempt from Individual Liability

No recourse under or upon any covenant or agreement of this Indenture, or of any Bonds, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future incorporator, officer, member or employee of the Board of Directors of the Issuer, or of any successor corporation, as such, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the Bonds issued hereunder are solely corporate obligations, and that no personal liability whatever shall attach to, or is or shall be incurred by, any incorporator, officer, member or employee of the Board of Directors of the Issuer or any successor corporation, or any of them, because of the issuance of the Bonds, or under or by reason of the covenants or agreements contained in this Indenture or in any Bonds or implied therefrom; and that any and all such personal liability of every name and nature, either at common law or in equity or by constitution or statute, and any and all such rights and claims against every such incorporator, officer, member or employee of the Board of Directors, as such, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issuance of the Bonds.

ARTICLE 4

The Bonds

SECTION 4.01 Authorization and General Terms

(a) The general title of the Bonds of all series shall be "Industrial Development Revenue Bond, Series _____ (Supreme Partners, L.L.C. Project)", provided, the Issuer may incorporate in or add to the general title of any particular series of such Bonds any words, letters or figures designed to distinguish that series.

(b) The aggregate principal amount of Bonds which may be executed and delivered and Outstanding under this Indenture is unlimited except as may be provided in any indenture supplemental hereto.

(c) The Bonds may be issued in series as from time to time and at any time authorized by the Board of Directors of the Issuer. Each series of Bonds, except the Series A Bonds created by Article 6, shall be created by an indenture supplemental hereto authorized by the Board of Directors of the Issuer and establishing the terms and provisions of such series of Bonds and the form of the Bonds of such series. The several series of Bonds may differ from the Series A Bonds and as between series in any respect not in conflict

with the provisions of this Indenture and as may be prescribed in the supplemental indenture creating such series. All Bonds of the same series shall be substantially identical except that any series may have serial maturities and different interest rates for different maturities and except as to denomination. The form and the denominations of the Bonds of each series shall be established by the provisions of this Indenture creating such series.

SECTION 4.02 Execution, Authentication, Delivery and Dating

(a) The Bonds shall be executed on behalf of the Issuer by the Chairman or Vice-Chairman of its Board of Directors under its corporate seal affixed or reproduced thereon and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the execution and delivery of such Bonds or shall not have held such offices at the date of such Bonds.

(b) At any time and from time to time after the execution and delivery of this Indenture, the Issuer may execute and deliver Bonds as in this Indenture provided and not otherwise.

(c) All Bonds shall be dated as provided in the provisions of this Indenture creating such series.

SECTION 4.03 Registration, Transfer and Exchange

(a) The Issuer shall cause to be kept at the principal office of the Bondholder a register (herein sometimes referred to as the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Bonds and registration of transfers of Bonds entitled to be registered or transferred as herein provided. The Bondholder is hereby appointed the "Bond Registrar" for the purpose of registering Bonds and transfers of Bonds.

(b) Upon presentation for transfer of any Bond, the Issuer shall execute and deliver, in the name of the designated transferee or transferees, one or more new Bonds of the same series, of any authorized denominations and of a like aggregate principal amount.

(c) All Bonds surrendered upon any transfer provided for in this Indenture shall be cancelled as provided in Section 4.07.

(d) All Bonds issued upon any transfer of Bonds shall be the valid obligations of the Issuer and be entitled to the same security and benefits under this Indenture as the Bonds surrendered upon such transfer.

(e) Every Bond presented or surrendered for transfer shall (if so required by the Issuer or the Bond Registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed, by the Bondholder thereof or his attorney duly authorized in writing.

(f) No service charge shall be made for any transfer of Bonds, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of Bonds.

SECTION 4.04 Mutilated, Destroyed, Lost and Stolen Bonds

(a) If there is delivered to the Issuer (1) any mutilated Bond or evidence to its satisfaction of the destruction, loss or theft of any Bond, and (2) such security or indemnity as may be required by it to save it harmless, then, in the absence of notice to the Issuer that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same series and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) Upon the issuance of any new Bond under this Section, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(c) Every new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond shall constitute an original additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Indenture equally and ratably with all other Outstanding Bonds.

(d) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 4.05 Persons Deemed Owners

The Issuer, and any agent of the Issuer, may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of (and premium, if any) and interest on such Bond and for all other purposes whatsoever whether or not such Bond be overdue, and, to the extent permitted by law, neither the Issuer nor any such agent shall be affected by notice to the contrary.

SECTION 4.06 Place of Payment of Bonds; Payments Due on Non-Business Days

(a) The principal of and interest on the Bonds shall be payable at the principal office of the Bondholder; provided, the provisions of this Indenture relating to any series of Bonds may provide for an additional place or places of payment of the principal of (and premium, if any) and interest on the Bonds of such series and may provide for special methods of payment (including without limitation check or wire transfer or federal or other same-day funds) on terms and conditions acceptable to the Bondholder; provided further that if Bonds of such series are payable in principal installments or subject to partial redemption, the final principal payment on such Bonds shall be payable only upon presentation thereof to the Issuer or any alternate Paying Agent designated for such series of Bonds.

(b) If any payment on the Bonds is due on a day which is not a Business Day, such payment shall be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

SECTION 4.07 Cancellation

All Bonds surrendered for payment, redemption, transfer, shall be promptly cancelled by the Issuer. No Bond shall be issued in lieu of or in exchange for any Bond cancelled as provided in this Section, except as expressly provided by this Indenture. All cancelled Bonds held by the Issuer shall be destroyed, and certificates thereof furnished to the Corporation.

ARTICLE 5

Redemption of Bonds

SECTION 5.01 General Applicability of Article

(a) Bonds which are redeemable before their stated maturity shall be redeemable in accordance with their terms and (except as otherwise provided with respect to the Bonds of any particular series by the provisions of this Indenture creating such series) in accordance with this Article.

(b) Bonds or portions thereof shall be redeemed in accordance with the mandatory redemption provisions of the Bonds without any direction from or consent by the Issuer or the Corporation. Bonds shall be redeemed in accordance with the optional redemption provisions of the Bonds only with the consent of the Corporation.

SECTION 5.02 Election to Redeem; Notice to Issuer

(a) The election of the Issuer to exercise any right of optional redemption shall be evidenced by written notice to the Bondholder from an Authorized Issuer Representative and shall be accompanied by the written consent of the Corporation, executed on its behalf by an Authorized Corporation Representative. In case of any redemption at the option of the Issuer of less than all of the principal of the Outstanding Bonds of any series, the Issuer shall, prior to the date fixed by the Issuer for redemption of Bonds, notify the Bondholder in writing of such redemption date and of the principal amount of Bonds of such series to be redeemed.

(b) If more than one series of Bonds is Outstanding, the Issuer shall not be required to exercise its optional redemption rights on a proportionate basis according to the principal amount of each series Outstanding; the Issuer may exercise its rights of optional redemption with respect to all or any portion of the Bonds of a particular series without redeeming in whole or in part Bonds of any other series.

SECTION 5.03 Notice of Redemption

(a) Unless waived by the Bondholder, notice of redemption shall be given in writing by the Corporation on behalf of the Issuer prior to the redemption date, at the address thereof appearing in the Bond Register.

(b) All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,

(3) the principal amount of Bonds of each series to be redeemed, and, if less than all of the principal of the Outstanding Bonds of a series is to be redeemed, the principal amounts of the Bonds of such series to be redeemed,

(4) that on the redemption date the redemption price of each of the Bonds to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date, and

(5) the place or places where the Bonds of each series to be redeemed are to be surrendered for payment of the redemption price.

SECTION 5.04 Payment of Redemption Price

On the redemption date, the Issuer shall pay to the Bondholder the redemption price of all the Bonds or principal portions thereof which are to be redeemed on that date.

SECTION 5.05 Bonds Payable on Redemption Date

(a) Notice of redemption having been given as aforesaid, the Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with said notice such Bond shall be paid by the Issuer at the redemption price. Installments of interest payable on a redemption date shall be payable to the Bondholder according to the terms of such Bonds and the provisions of this Indenture.

(b) If any Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the rate prescribed therefor in such Bond.

SECTION 5.06 Bonds Redeemed in Part

(a) Unless otherwise provided with respect to the Bonds of a series, any Bond which is to be redeemed only in part shall be surrendered to the Issuer with due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer duly executed by, the Bondholder or his attorney duly authorized in writing, and the Issuer shall execute and deliver, without service charge, a new Bond or Bonds of the same series of an authorized denomination or denominations as requested by the Bondholder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

(b) If less than all of the principal of the Outstanding Bonds of any series is to be redeemed, any partial redemption of Bonds shall be credited against the principal installments on such Bonds in the inverse order of maturities.

(c) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

ARTICLE 6

Series A Bonds

SECTION 6.01 Authorization of Series A Bonds

(a) There shall be an initial series of Bonds entitled "Industrial Development Revenue Bond, Series A (Supreme Partners, L.L.C. Project)". The aggregate principal amount of Series A Bonds which may be executed and delivered and Outstanding is limited to \$500,000. The Series A Bonds shall be issuable as fully registered Bonds without coupons. Only one Series A Bond shall be Outstanding at any time. The Series A Bonds shall be numbered separately from 1 upward in the order of issuance.

(b) The Series A Bonds shall be dated the date of issuance thereof; shall be in such principal amount as shall be advanced thereunder; shall bear interest at the per annum rate; shall be payable in installments of principal and interest in such amounts, at such times, and in such manner; and shall be subject to redemption prior to maturity; all as provided in the form of the Series A Bonds contained in Section 6.02.

SECTION 6.02 Form of Series A Bonds

The form of Series A Bonds shall be substantially as follows, with such insertions, omissions, substitutions and variations as may be determined by the officers executing the same as evidenced by their execution thereof to reflect the applicable terms of the Series A Bonds established by this Indenture:

INTEREST ON THIS BOND IS SUBJECT TO FEDERAL INCOME TAXATION.

THIS BOND HAS NOT BEEN REGISTERED (1) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION PROVIDED BY SECTION 4(2) OF SAID ACT, OR (2) UNDER ANY STATE SECURITIES LAW, IN RELIANCE UPON APPLICABLE EXEMPTIONS, AND MAY NOT BE TRANSFERRED WITHOUT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION THEREFROM.

THE ENTIRE PRINCIPAL AMOUNT OF THIS BOND MAY NOT BE ADVANCED AND ANY AMOUNT WHICH IS SO ADVANCED MAY BE REDEEMED IN PART PRIOR TO MATURITY; ACCORDINGLY, ANY PERSON WHO INTENDS TO ACQUIRE THIS BOND MUST VERIFY THE OUTSTANDING PRINCIPAL AMOUNT OF THIS BOND PRIOR TO ACQUIRING THE SAME.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE
TOWN OF PELHAM

Industrial Development Revenue Bond, Series A
(Supreme Partners, L.L.C. Project)

No. R-_____

THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF PELHAM, a public corporation organized and existing under the laws of the State of Alabama (the "Issuer", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay (but solely from the source hereinafter described) to

AMSOUTH BANK, NATIONAL ASSOCIATION

or registered assigns (collectively the "Bondholder"), the principal sum of

FIVE HUNDRED THOUSAND DOLLARS (\$500,000)

, or so much of said principal sum as may be advanced hereunder as hereinafter provided, and in like manner to pay (but solely from the source hereinafter described) interest on the unpaid principal balance hereof from the date hereof (computed on the basis of a year of 360 days consisting of 12 consecutive 30-day months) at a rate of interest equal to seven and one-half percent (7.50%) per annum; such principal and interest being payable in installments as follows:

- (a) on March 1, 1994 and continuing on the first day of each month thereafter, until and including July 1, 1994, the interest accrued on the outstanding principal amount of this bond; and

- (b) on August 1, 1994 and continuing on the first day of each month in each year thereafter, until and including June 1, 2001, the amount of \$4,635.06, which amount shall be applied first to the payment of interest accrued on the outstanding principal amount of this bond and then to the reduction of such principal amount; and
- (c) on July 1, 2001, unless sooner paid, an amount equal to the entire unpaid principal balance of this bond, plus interest accrued thereon to such date of payment.

The final payment of principal of and interest on this bond shall be made upon surrender of this bond to the Issuer for cancellation; payments meanwhile of principal and interest shall be made to the Bondholder hereof by the Issuer at his address as it last appears on the registration books maintained by the Issuer, or in such other manner as the Bondholder and the Issuer may determine; provided such payments shall be deemed timely made if mailed on the principal and/or interest payment date on which such payments are due (or if such date is not a Business Day as defined in the Indenture, on the Business Day then next succeeding such date). The principal of and interest on this bond are payable in lawful money of the United States of America.

This bond evidences a credit facility extended by AmSouth Bank, National Association, as Bondholder, to the Issuer, and it is contemplated that the proceeds of the loan evidenced hereby will be advanced by the Bondholder to the Issuer in installments as requested by the Issuer and the Corporation (hereinafter defined) as to amount and date; provided, however, the Bondholder shall not be required to advance an aggregate principal amount hereunder greater than 75% of the appraised fair market of the Project (hereinafter defined), determined as provided in the Lease Agreement (hereinafter defined), and any amount of principal which is advanced hereunder in excess of said limitation is subject to redemption as hereinafter provided. Each principal advance and each payment made on this bond shall be reflected by the notations made by the Bondholder on its internal records (which may be kept by computer or by other means determined by the Bondholder) and the Bondholder is hereby authorized so to record thereon all such principal advances and payments. The aggregate unpaid principal amount of this Bond reflected on the internal records of the Bondholder (whether by computer or otherwise) shall be rebuttably presumptive evidence of the principal amount of this bond outstanding. No failure of the Bondholder so to record any advance or payment shall limit or otherwise affect the obligation of the Issuer or the Corporation under the Lease Agreement or the Guarantors (hereinafter defined) under the Guaranty (hereinafter defined) with respect to any advance, and no payment of the principal by the Issuer or the Corporation under the Lease

Agreement or the Guarantors under the Guaranty shall be affected by the failure of the Bondholder so to record the same. This bond shall be valid and enforceable as to the aggregate principal amount advanced at any time hereunder, whether or not the full face amount hereof is advanced.

Interest shall be due and payable on any installment or amount of principal of this bond and, to the extent legally enforceable, on any installment or amount of interest on this bond, that shall not have been paid when due, whether at maturity, upon acceleration, or otherwise, at the per annum rate of nine percent or the maximum rate then permitted by law, if less. In addition, the Issuer shall pay to the Bondholder, on demand, a late charge equal to five percent (5%) of any installment of principal or interest that is not paid by the end of the twelfth day after the same is due, provided said late charge shall never be less than \$10.00 nor more than \$250.00 for each installment for which the said late charge is so computed. The rights of the Bondholder to receive late charges and interest on overdue installments as herein provided shall be cumulative with and in addition to all other rights and remedies of the Bondholder set forth herein and in the Indenture and said provisions respecting late charges and interest on overdue installments, and the actual payment of any late charge or interest pursuant thereto, shall never operate or be deemed to excuse a late payment of an installment hereon or as a waiver of any right or remedy which the Bondholder may have, including without limitation the right to declare the entire unpaid principal balance hereof and the interest due hereon immediately due and payable in accordance with the provisions hereof and of the aforesaid Indenture.

This bond is one of a duly authorized issue of bonds of the Issuer, aggregating \$500,000 in principal amount, designated "Industrial Development Revenue Bond, Series A (Supreme Partners, L.L.C. Project)", referred to herein as the "Series A Bonds", and issued under and pursuant to a Mortgage and Indenture dated as of January 1, 1994 (the "Indenture"), between the Issuer and AmSouth Bank, National Association, a national banking association with its principal office in the City of Birmingham, Alabama. The Series A Bonds and other bonds issued under the Indenture are herein collectively called the "Bonds".

The Series A Bonds are issued for the purposes of paying the costs of acquiring certain real estate in the City of Pelham and acquiring, constructing and installing thereon improvements, structures, facilities, fixtures and related personal property for the manufacturing, processing and assembling of actuators and related products (such real property, improvements, structures, facilities, fixtures, and related personal property, together with any additional facilities acquired or constructed with the proceeds of any additional bonds issued under the Indenture, are herein collectively referred to as the "Project"). The Project is leased

by the Issuer to Supreme Partners, L.L.C., an Alabama corporation (the "Corporation"), pursuant to a Lease Agreement dated as of January 1, 1994 (the "Lease Agreement"). Pursuant to the Lease Agreement the Corporation has agreed to pay rentals to the Bondholder for the account of the Issuer sufficient to pay when due the principal of and interest on the Bonds. The Corporation shall sublease the Project to Keystone Morin, Inc., an Alabama corporation (the "Sublessee User"), for the aforesaid purposes.

The principal and interest on the Bonds are payable solely out of the revenues derived by the Issuer from the leasing or sale of the Project. Pursuant to the Indenture, as security for the payment of the Bonds, the Issuer has mortgaged the Project to the Bondholder and has assigned and pledged to the Bondholder all right, title and interest of the Issuer in and to the Lease Agreement (except for certain rights to indemnification and reimbursement of expenses granted to the Issuer). As additional security for the payment of the Series A Bonds, the Corporation and J.B. Schilleci, Ben Miree and Wes Taylor (as members and owners of the Corporation), have guaranteed the payment of the Series A Bonds pursuant to Bond Guaranty Agreement dated as of January 1, 1994 (the "Guaranty") to the Bondholder (such parties to the Guaranty being herein collectively referred to as the "Guarantors") and the Corporation has assigned to the Bondholder its interests as sublessor under the aforesaid sublease to the Sublessee User and under all other subleases of the Project and all rents payable thereunder pursuant to an Assignment of Rents and Leases dated as of January 1, 1994 (the "Assignment").

The Bonds shall never constitute an indebtedness of the City of Pelham, Alabama (the "Municipality") within the meaning of any constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Municipality or a charge against its general credit or taxing powers.

In the manner and with the effect provided in the Indenture, the Series A Bonds will be subject to redemption prior to maturity as follows:

- (1) The Series A Bonds may be redeemed at the option of the Issuer (exercised upon direction of the Corporation) in whole or in part on the earliest practical Business Day (as defined in the Indenture) for which the required notice may be given at a redemption price equal to 100% of the principal amount of Series A Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium or penalty; provided, however, if any portion of such redemption price is to be made from the proceeds of indebtedness incurred for such purpose by the Corporation or any party to the Guaranty, then such redemption price shall include a premium (expressed as a percentage of the principal amount of the

Bonds to be redeemed by the proceeds of such indebtedness) determined as follows:

- 5% if redeemed within one year of the date of this bond;
- 4% if redeemed on the first anniversary of the date of this bond or within one year thereafter;
- 3% if redeemed on the second anniversary of the date of this bond or within one year thereafter;
- 2% if redeemed on the third anniversary of the date of this bond or within one year thereafter;
- 1% if redeemed on the fourth anniversary of the date of this bond or within one year thereafter;
- 0% if redeemed on the fifth anniversary of the date of this bond or thereafter.

(2) The Issuer shall be required to prepay the Series A Bonds in the event any monies are remaining in the Series A Construction Fund upon completion of the Series A Facilities as provided in Section 6.06 of the Indenture, in part, to the extent monies in the Series A Construction Fund are available therefor, on the earliest Business Day for which the required notice may be given, at a redemption price equal to 100% of the principal amount of the Series A Bonds to be redeemed plus accrued interest thereon to the date of redemption, without premium or penalty.

(3) The Issuer shall be required to prepay the Series A Bonds in the event monies are made available therefor as a result of (a) the receipt of title insurance proceeds as provided in Section 4.04 of the Lease Agreement, or (b) the availability of excess Net Proceeds (as defined in the Lease Agreement) after repair or restoration of the Project as provided in Sections 7.01 and 7.02 of the Lease Agreement, or (c) the exercise by the Corporation of its option to purchase portions of the Project Site which are Unimproved (as defined in the Lease Agreement) pursuant to Section 11.05 of the Lease Agreement, in whole or in part, to the extent such monies are available therefor (the amount of such monies to be applied to the redemption of Series A Bonds in such event to bear the same ratio to the total amount of all monies made available for the redemption of Bonds Outstanding in such event as the then aggregate principal amount of the Series A Bonds

Outstanding bears to the then aggregate principal amount of all Bonds Outstanding under the Indenture) on the earliest Business Day for which the required notice may be given, at a redemption price for each Series A Bond redeemed equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium or penalty.

(4) The Bonds are subject to redemption and prepayment on the earliest Business Day for which the required notice may be given, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed, plus interest thereon to the date of redemption, without premium or penalty as a result of the exercise by the Corporation of its option to purchase the Project in the event of damage or condemnation thereof, or certain other circumstances, pursuant to Section 11.03 of the Lease Agreement.

(5) The Issuer shall be required to redeem the Series A Bonds, with funds which the Corporation provides, to the extent necessary to reduce the principal amount of the Series A Bonds to an amount equal to 75% of the appraised fair market value of the Project as shown by the appraisal required by Article 9 of the Lease Agreement, upon demand therefor by the Bondholder, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus interest accrued to the date of redemption, without premium or penalty.

Any redemption or prepayment shall be made upon the notice, in the manner and upon the terms and conditions provided in the Indenture.

Any partial redemption of the Series A Bonds shall be credited against the principal installments on the Series A Bonds in the inverse order of maturities.

If a portion of this bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion of principal hereof and with principal installments corresponding in due dates and amounts to the unpaid or unredeemed portion of the principal installments hereof will be issued to the Bondholder upon the surrender hereof. The Bondholder may, in lieu of surrendering this bond for partial redemption, endorse on this bond a notation of such partial redemption. SUCH PARTIAL REDEMPTION SHALL BE VALID UPON PAYMENT OF THE AMOUNT THEREBY REQUIRED TO BE PAID TO THE BONDHOLDER, AND THE ISSUER SHALL BE RELEASED AND DISCHARGED FROM ALL LIABILITY TO THE EXTENT OF SUCH PAYMENT, IRRESPECTIVE OF WHETHER SUCH ENDORSEMENT SHALL OR SHALL NOT HAVE BEEN MADE UPON THE REVERSE OF THIS BOND BY THE BONDHOLDER AND IRRESPECTIVE OF ANY ERROR OR OMISSION IN SUCH ENDORSEMENT. ACCORDINGLY, ANY PERSON WHO INTENDS TO ACQUIRE THIS BOND SHOULD VERIFY THE PRINCIPAL AMOUNT

HEREOF WITH THE ISSUER BEFORE ACQUIRING THE SAME. Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall, to the extent such provision for redemption and payment is made, thereupon cease to be entitled to the benefits of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

If an "Event of Default", as defined in the Indenture, shall occur, the principal of all Bonds then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

This bond shall be registered on the register to be maintained by the Issuer for that purpose at the principal office of the Bondholder, as bond registrar, and this bond shall be transferable only upon said register at said office by the Bondholder or by his duly authorized attorney. Such transfer shall be without charge to the Bondholder of this bond but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Bondholder requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the Issuer shall execute and deliver in exchange for this bond, a new bond or bonds, registered in the name of the transferee, in an aggregate principal amount equal to the unpaid or unredeemed portion of principal of this bond.

The Issuer and any paying agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes; and neither the Issuer nor any paying agent, shall be affected by any notice to the contrary. All payments made to the Bondholder shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for money payable on this bond.

No covenant or agreement contained in this bond or the Indenture shall be deemed to be a covenant or agreement of any officer, director, agent or employee of the Issuer in its individual capacity, and neither any member of the Board of Directors of the Issuer nor any officer executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this bond do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Issuer has caused this bond to be executed in its name and on its behalf by the manual signature of its Chairman and its corporate seal to be hereunto affixed and the same to be attested by the manual signature of the Secretary of the Issuer, all as of _____ 1994.

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE TOWN OF PELHAM

By _____
Chairman

SEAL

Attest:

Secretary

Certificate of Partial Redemption

Payment Date	Principal Amount Redeemed	Balance of Principal Amount Unpaid	Signature

Assignment

For value received, _____
hereby sell(s), assign(s) and transfer(s) unto _____
this bond and hereby irrevocably constitute(s) and appoint(s)
_____ attorney to transfer this bond on the
books of the withinnamed Issuer at the office of the withinnamed
Bondholder, with full power of substitution in the premises.

DATED this _____ day of _____.

NOTE: The name signed to this
assignment must correspond with
the name of the payee written
on the face of the within bond
in every particular, without
alteration, enlargement or
change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

SECTION 6.03 Application of Proceeds of Series A Bonds

The proceeds of the Series A Bonds shall be deposited in the Series A Construction Fund and applied as provided for funds on deposit therein.

SECTION 6.04 Series A Construction Fund Disbursements

(a) There is hereby established with the Bondholder in the name of the Issuer a fund which shall be designated the "Series A Construction Fund". Deposits to the Series A Construction Fund are to be made under Section 6.03. The money in the Series A Construction Fund shall be paid out by the Bondholder for the purpose of paying Series A Facilities Costs, but only in accordance with this Section 6.04.

(b) The amount of approximately \$50,000 (or such greater or lesser amount as shall be necessary to pay such Series A Facilities Costs as shall be approved by the Bondholder) shall be advanced in connection with the issuance of the Series A Bonds. Prior to the advance of any additional funds from the Series A Construction Fund, the Issuer and the Corporation shall demonstrate to the satisfaction of the Bondholder that the Corporation has contributed \$120,000 (or such other amount as shall be acceptable to the Bondholder in its sole discretion) from its own funds to the acquisition and construction of the Series A Facilities.

(c) The Bondholder shall permit the advance of funds from the Series A Construction Fund on no more than 3 occasions and no more frequently than once each 30 days.

(d) Each request for funds from the Series A Construction Fund must be approved by the Bondholder (which approval may be withheld until the Bondholder is satisfied as to the progress of the Series A Facilities and/or the compliance of the Series A Facilities with applicable legal requirements, or for other reasons pertinent to the normal practices of the Bondholder with respect to construction loan administration) and shall be accompanied by:

(1) A requisition or payment request signed by any duly Authorized Issuer Representative stating with respect to each such payment the amount or amounts requested to be paid and the name and address of the person or persons to whom such payment is to be made, and containing an endorsement on such requisition or payment request signed by an Authorized Corporation Representative in which the Corporation shall (i) describe in reasonable detail the particular Series A Facilities Cost, (ii) state that the purpose for which such payment is to be made is one for which Series A Construction Fund moneys are authorized under this Indenture and the Lease Agreement to be expended, (iii) certify that any property for which payment is to be made has been installed or is located

at the Project Site, or that such payment represents an installment payment on property being specially manufactured for the Project, and (iv) certify that no event of default exists under the Lease Agreement or this Indenture and that the Corporation is not aware of any event which but for the giving of notice or the expiration of any applicable grace period would constitute an event of default under this Indenture or the Lease Agreement.

(2) An invoice or invoices from the payee or payees named in such requisition or payment request (or, if the Corporation is requesting reimbursement for Series A Facilities Costs, from the person or persons to whom the Corporation made payments for Series A Facilities Costs) showing that the amount requested to be paid is (or, if the Corporation is requesting reimbursement for Series A Facilities Costs, was) due and payable for the purpose stated.

(3) An undated Sources and Uses of Funds Statement in form and content satisfactory to the Bondholder, showing that the undisbursed sources of funds as shown on said Statement equal or exceed the then remaining cost to complete the Project. Should such costs exceed the then remaining sources of funds, Corporation must immediately inject Corporation's own funds into the Project sufficient in amount to cause the sources of funds and such costs to balance prior to requesting an additional advance from the Bondholder. The Sources and Uses of Funds Statement shall include a written statement from Corporation that there have been no changes in the budget for the Project or a written certification specifying the changes which have been made in such budget, which changes may be made only with the consent of the Bondholder, said consent not to be unreasonably withheld.

(4) If all or any portion of the advance is to be paid to a contractor, subcontractor or represents any payments for the construction of the Improvements, Bondholder must be provided with a sworn statement on AIA Document G702 (Application and Certificate for Payment).

(e) If with respect to payment of any item of Series A Facilities Cost from the Series A Construction Fund the Corporation shall furnish the Trustee a certificate signed by the Project Supervisor (as defined in the Lease Agreement) stating that an Authorized Issuer Representative is unavailable or unable to issue, or the Issuer has failed, or refused, after reasonable request therefor made by the Corporation, to issue, a payment requisition for payment of such item, the payment requisition therefor may be signed in the name of the Issuer by the Project Supervisor, and the Bondholder shall be fully protected in making the payment ordered made by such payment requisition as fully and completely as if it were signed by an authorized officer, employee or agent of the

Issuer, provided that such payment requisition is accompanied by the endorsement and other documentation required by the provisions of this Section.

(f) In addition to the documents required by this Section, the Bondholder may require as a condition precedent to any payment or withdrawal further evidence with respect thereto or with respect to the application of any moneys previously disbursed or as to the correctness of any statement made in any requisition, payment request or endorsement. The Bondholder shall not be liable for any misapplication of moneys in the Series A Construction Fund if disbursed pursuant to the provisions of this Section and without knowledge or reason to believe that such disbursement constitutes a misapplication of funds.

SECTION 6.05 Security for and Investment of Special Funds

(a) The money at any time on deposit in the Special Funds shall be and at all times remain public funds impressed with a trust for the purpose for which such funds were created. The Issuer shall at all times keep the money on deposit in the Special Funds continuously secured for the benefit of the Bondholder in such manner as may be required or permitted by then applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public trust funds; provided, however, that it shall not be necessary for the Issuer to secure any portion of the money on deposit in the Special Funds that may be secured by the Federal Deposit Insurance Corporation or by any agency of the United States of America that may succeed to its functions, or to secure any portion of such money that is invested as herein provided.

(b) Any money held as part of the Special Funds shall be invested or reinvested by the Issuer in Qualified Investments in accordance with the instructions of the Corporation. Any such investments shall be deemed at all times a part of the Special Funds in which the money invested was on deposit, and the interest accruing thereon and any profit realized therefrom shall be credited to such Fund and any loss resulting from such investments shall be charged to such Fund.

SECTION 6.06 Completion of the Series A Facilities

The completion of the Series A Facilities and the payment of all costs and expenses incidental thereto shall be evidenced by the filing with the Bondholder of the certificate of an Authorized Issuer Representative and an Authorized Corporation Representative in the form required by Section 4.04 of the Lease Agreement. Upon receipt of such certificate by the Bondholder, any balance remaining in the Series A Construction Fund shall be applied to the prepayment of the Series A Bonds pursuant to paragraph (2) of the redemption provisions thereof.

ARTICLE 7

Additional Bonds

SECTION 7.01 In General

With the prior written consent of the Bondholder, the Issuer may at any time and from time to time, if no Event of Default exists, issue Additional Bonds for any lawful purposes within the limitations of and upon compliance with the provisions of this Article.

SECTION 7.02 Conditions Precedent

(a) Prior to the issuance of any Additional Bonds, and after obtaining the written consent of the Bondholder as provided in Section 7.01, the Issuer shall deliver to the Bondholder the following:

(1) Resolution of the Issuer. A certified copy of a resolution of the Board of Directors of the Issuer which shall: (i) state that no Event of Default exists under this Indenture; and (ii) authorize the execution and delivery of the supplemental indenture and supplemental lease to be executed in connection with the issuance of such Additional Bonds.

(2) Supplemental Indenture. A supplemental indenture duly executed on behalf of the Issuer and containing, to the extent applicable, the following: (i) with respect to the Additional Bonds: descriptions of the bonds proposed to be issued, including the aggregate principal amounts, the series designation, the date or dates of maturity of principal of such bonds, the interest rate or rates, the due dates of interest on such bonds, the redemption provisions with respect to such bonds, and the forms of such bonds; (ii) a statement of the purpose or purposes for which such Additional Bonds are to be issued; (iii) provisions subjecting to the lien of this Indenture all property acquired and to be acquired from the proceeds of such Additional Bonds; (iv) a confirmation of the lien of this Indenture on all property then constituting a part of the Mortgaged Property; and (v) any other matters deemed appropriate by the Issuer and not inconsistent with the terms of this Indenture.

(3) Supplemental Lease. A supplemental lease agreement duly executed on behalf of the Issuer and the Corporation and containing, to the extent applicable, the following: (i) in the event the last maturity of such Additional Bonds is subsequent to the last maturity of the Bonds then Outstanding, an extension of the term of

the Lease Agreement until or beyond the last maturity of such Additional Bonds; (ii) provisions subjecting to the demise of the Lease Agreement all property acquired and to be acquired from the proceeds of such Additional Bonds; (iii) a confirmation of the demise pursuant to the Lease Agreement of all property then constituting a part of the Project; and (iv) any other matters deemed appropriate by the Issuer and the Corporation and not inconsistent with the terms of this Indenture or the Lease Agreement.

(4) Guaranty. A guaranty agreement duly executed on behalf of the Corporation and the Guarantors guaranteeing the payment of such Additional Bonds in substantially the form and of substantially the content as the Guaranty.

(5) Opinion of Bond Counsel Regarding Additional Bonds. Prior to the issuance of the Additional Bonds an opinion of Independent Counsel whose opinion with respect to tax-exempt and taxable bonds is acceptable to the Bondholder stating in effect (with such qualifications and assumptions as the Bondholder may deem appropriate) that: (i) such Additional Bonds are valid and binding obligations of the Issuer in accordance with their terms and are entitled to the benefit and security of this Indenture equally and proportionately with all other Bonds Outstanding under this Indenture; and (ii) this Indenture and the Lease Agreement (as so amended and supplemented) constitute valid and binding obligations of the Issuer in accordance with their terms.

(6) Opinion of Counsel for the Corporation. An opinion of Independent Counsel stating in effect (with such qualifications and assumptions as the Bondholder may deem appropriate) that the Lease Agreement (as so amended and supplemented) constitutes a valid and binding obligation of the Corporation in accordance with its terms.

(7) Additional Bonds. The Additional Bonds, duly executed.

(b) Any Additional Bonds issued pursuant to and in compliance with the terms of this Indenture shall be entitled to the benefit and protection of this Indenture on a parity with all other Bonds issued hereunder.

ARTICLE 8

Covenants by the Issuer

The Issuer, for itself, its successors and assigns, covenants and agrees with the Bondholder as follows:

SECTION 8.01 Application of Proceeds of Bonds

All money derived from the sale of Bonds shall be used solely for the purposes for which the same are authorized under this Indenture and not otherwise.

SECTION 8.02 Cooperation with Corporation

The Issuer will cooperate with the Corporation to the end that the Project may be operated by the Corporation in the most successful and productive manner possible.

SECTION 8.03 Collection and Disposition of Revenues and Receipts

The Issuer will promptly collect or cause to be collected all revenues and receipts derived from the leasing or sale of the Project as the same become due.

SECTION 8.04 Issuer to Keep Project Leased

The Issuer will keep the Project leased at all times for a rent sufficient to pay the principal of and interest on the Bonds as the same mature and come due, and also, unless leased under an agreement requiring the lessee to take out, maintain and pay for adequate and proper insurance of the Project and requiring the lessee to keep and maintain the Project in good repair and operating condition, sufficient to pay the cost of such insurance and such maintenance and repair. Should there be a default under the Lease Agreement with the result that the right of possession of the Project is returned to the Issuer, the Issuer shall fully cooperate with the Bondholder and shall diligently proceed in good faith and use its best efforts to secure another tenant for the Project to the end that at all times sufficient revenues and receipts will be derived from the Project promptly to meet and pay the principal of (and premium, if any) and interest on the Bonds as the same become due and payable, as well as covering the cost of maintaining and insuring the Project. Nothing herein, however, shall be construed as requiring the Issuer to operate the Project. All leases except the Lease Agreement shall be subject to the prior written approval by the Bondholder and all such leases shall be assigned to the Bondholder as security for the Bonds.

SECTION 8.05 Performance of Covenants by Issuer and Corporation; Defaults by Corporation

(a) The Issuer will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Prior Lease, in the Lease Agreement, in each and every Bond executed and delivered hereunder, and in all proceedings of its Board of Directors pertaining thereto.

(b) The Issuer will require the Corporation faithfully to perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Lease Agreement. The Issuer will promptly notify the Bondholder in writing if, to the knowledge of the Issuer, the Corporation fails to perform or observe any of the agreements or covenants on its part contained in the Lease Agreement. The Issuer will promptly comply with the instructions or directions of the Bondholder with respect to the giving of notice of default to the Corporation and the exercise of rights and remedies in the event of default under the Lease Agreement. Unless so instructed or directed the Issuer will not give the Corporation a notice of default or exercise any right or remedy under the Lease Agreement.

SECTION 8.06 Inspection of Project Books

All books and documents in the Issuer's possession relating to the Project and the revenues and receipts derived from the Project, including any financial statement or other report by the Corporation with respect to the Project, shall at all times be open to inspection by such accountants or other agents as the Bondholder may from time to time designate.

SECTION 8.07 Issuer Will Not Extend Time of Payment of Bonds Without Consent of Bondholders

The Issuer will not directly or indirectly extend or consent to the extension of the time of payment of any of the Bonds, unless consented to by the Bondholder.

SECTION 8.08 Title to Project and Pledged Revenues

(a) The Issuer has good and merchantable title to and the beneficial interest in and is lawfully possessed of the Project; and the Issuer has the rightful power and lawful authority to mortgage, assign and grant security interests in the Project, all subject only to Permitted Encumbrances. The Issuer will warrant and defend the title to the Project and every part thereof to the Bondholder against the claims and demands of all persons whomsoever, except those claiming under Permitted Encumbrances. The Project will be kept free and clear of and from all and any liens and encumbrances of every nature and kind, except Permitted Encumbrances, and except as herein otherwise permitted, the Issuer will at all times maintain and preserve the lien and rank of this Indenture as herein provided.

(b) The Issuer has legal title to and the beneficial interest in the revenues and receipts from the Project herein pledged and in the Lease Agreement assigned and pledged and the rightful power and the lawful authority to pledge and assign the same. The Issuer will warrant and defend such pledge and assignment to the Bondholder against the claims and demands of all persons

whomsoever. The revenues, receipts and the Lease Agreement so pledged and assigned are now and will be kept free and clear of and from any and all liens and encumbrances of every nature and kind except as herein otherwise provided. The Issuer will at all times maintain and preserve the lien and rank of this Indenture as a first and prior lien upon revenues, receipts and the Lease Agreement so pledged and assigned.

SECTION 8.09 Further Assurances; Recording Indenture and Lease Agreement

The Issuer will at any time or times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all such further acts, deeds, conveyances, assignments, mortgages, pledges, financing statements, transfers and assurances in law as the Bondholder shall reasonably require for the better assuring, assigning, transferring, pledging and confirming unto the Bondholder, all and singular, the property and rights herein assigned, transferred and pledged or intended so to be. The Issuer will fully comply with all the requirements of any and every recording law or any other law affecting the due recording and filing of this Indenture, the Lease Agreement, and any supplements or amendments thereto, and all financing statements and other security instruments relative thereto, in order fully to preserve, continue, and protect the security of the Bonds and the rights and remedies of the Bondholder and to perfect the mortgages, conveyances, assignments, and security interests created by this Indenture and the Lease Agreement.

ARTICLE 9

**Possession, Use, Destruction, Condemnation
Sale and Partial Release of Project**

SECTION 9.01 Corporation's Right to Possession of the Project

So long as the Corporation is not in default under the provisions of the Lease Agreement, the Corporation shall be entitled to possession of the Project and all other rights granted to the Corporation under the Lease Agreement.

SECTION 9.02 Condemnation or Destruction of or Damage to Project

In the event of condemnation or destruction of or damage to the Project, all proceeds of insurance or condemnation awards shall be held and applied as provided in the Lease Agreement.

SECTION 9.03 Mortgage or Sale of Project or Pledge of Revenues Prohibited Except Under Certain Conditions; Consolidation or Merger of, or Transfer of Assets by Issuer

(a) Except as otherwise permitted in this Indenture, the Issuer will not mortgage, sell, assign, transfer, convey, pledge, grant any security interest in or lien on, encumber, or in any manner dispose of the Project or the Mortgaged Property, or any part hereof, and will not permit the same to occur, without the prior written consent of the Bondholder.

(b) The Issuer may sell the Project or any part thereof to the Corporation as a result of the Corporation's exercise of an option to purchase granted it in the Lease Agreement.

(c) The Issuer shall not incur any obligations nor issue any bonds or other securities payable from the revenues and receipts herein pledged which will have priority to or equality with the Bonds with respect to the payment of the principal or interest from said revenues and receipts or from any moneys in the Special Funds except as otherwise provided herein.

(d) If authorized by law, the Issuer may consolidate with, or merge into, or transfer the Project as an entirety to, the Municipality or to another public corporation whose property and income are not subject to federal or Alabama taxation if the Municipality or such public corporation has the authority to carry on the business of owning and leasing the Project; provided 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 Indenture to be kept and performed by the Issuer shall be expressly assumed in writing by the Municipality or public corporation and provided further, that such consolidation, merger or transfer shall not cause or result in any mortgage or other lien being affixed to or imposed on or becoming a lien on the Project, the Mortgaged Property, or the revenues and receipts therefrom that will be prior to the lien of this Indenture and of the pledge herein made for the benefit of the Bonds or in the interest income on the Bonds becoming subject to Alabama income taxation.

SECTION 9.04 Improvements, Alterations, Fixtures and Personal Property

While the Issuer is not in default hereunder, the Issuer, without procuring the consent of the Bondholder, may construct or install additional structures, improvements, facilities, and fixtures on the Project Site and may alter, repair, replace, change or add to the buildings, structures and fixtures constituting a part of the Leasehold Improvements, provided that such action does not materially impair either the value of the Project or its utility for the purpose intended, and provided further that such

structures, improvements, facilities, and fixtures shall be deemed a part of the Project covered by this Indenture. If the Issuer shall not be in default hereunder, either the Issuer or the Corporation may dispose of, free from the lien hereof, any personal property or fixtures constituting a part of the Equipment, but only as and to the extent permitted by the Lease Agreement. Nothing contained herein is intended to limit or restrict any right or privilege granted to the Corporation under the Lease Agreement.

ARTICLE 10

Default Provisions and Remedies of Bondholder

SECTION 10.01 Events of Default

If any of the following events occurs, it is hereby defined as, and declared to be and to constitute, an "Event of Default":

(1) Failure by the Issuer to pay the principal of or the interest on any Bond as and when the same matures or becomes due as therein and herein provided, whether such shall become due by maturity or otherwise and such failure continues for a period of five Business Days after written notice specifying such failure and requesting that such payment be made has been received by the Issuer.

(2) Failure by the Issuer to perform any of the agreements on its part herein contained (other than its agreement to pay the principal of and the interest on the Bonds) after ten days' written notice of such failure (which notice must state that it is a "Notice of Default" hereunder) made by the Bondholder to the Issuer unless during such period or any extension thereof the Issuer has taken steps reasonably calculated to remedy such default.

(3) Appointment by a court having jurisdiction of a receiver for the Issuer or approval by a court of competent jurisdiction of any petition for reorganization of the Issuer or rearrangement or readjustment of the obligations of the Issuer under any provisions of the bankruptcy laws of the United States and the continuation of such appointment or approval unstated and in effect for a period of sixty consecutive days.

(4) Failure of the Issuer to obtain a new tenant for the Project within ninety days after an event of default by the Corporation, as defined in Section 10.01 of the Lease Agreement.

(5) An event of default under the Lease Agreement or the Guaranty.

SECTION 10.02 Remedies on Default

Whenever any Event of Default shall have happened and be subsisting, subject to the rights of the Corporation as set forth in Section 10.06 hereof:

(1) The Bondholder may, by notice in writing delivered to the Issuer, declare the principal of all of the Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable, anything in this Indenture or the Bonds to the contrary notwithstanding; subject, however, to the discretionary right of the Bondholder to annul such declaration and destroy its effect at any time before the Project shall have been sold pursuant to any provision of this Indenture.

(2) The Bondholder may proceed to protect and enforce its rights hereunder and under the Bonds by a suit or suits, whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power granted herein or for the enforcement of any other proper, legal or equitable remedy, as the Bondholder, being advised by Counsel, shall deem most effectual to protect and enforce its rights hereunder.

(3) The Bondholder shall be entitled upon or at any time after the commencement of any proceedings instituted in the Event of Default, as a matter of strict right, upon the order of any court of competent jurisdiction, to the appointment of a receiver of the Project and of the rent, revenues and income from the Project, with power to lease the Project. Any such receiver shall, except as herein otherwise provided, have all of the usual powers and duties of receivers in similar cases, with full power upon the order of such court to lease the Project, or any part thereof, upon any terms approved by the court.

(4) The Bondholder may, in its discretion, with or without declaring the Bonds due and payable, take possession of the Project and lease the same in the name and as the agent of the Issuer and from time to time maintain and restore and insure and keep insured the same, in the manner and to the same extent as is usual with like properties and likewise, from time to time, make all necessary repairs, renewals, replacements, alterations, additions and improvements thereto and thereon as may seem judicious and lease the same or any part thereof, as effectually as the Issuer could do, and the Bondholder shall be entitled to collect and receive all rents,

revenues and income of the Project and every part thereof and, after paying the expense of leasing the same, including the expenses of maintenance, repairs and insurance or other charges thereon, as well as just and reasonable compensation for the services of the Bondholder and its agents, attorneys, receivers, or counsel, the Bondholder shall apply the moneys arising as aforesaid to the payment of the Bonds.

(5) The Bondholder, personally or by attorney, may in its discretion either

(A) sell, or cause to be sold, all and singular the Project, and all the estate, right, title and interest, claim and demand therein, such sale or sales to be held at such place or places and time or times and upon such notice and otherwise in such manner and upon such terms as shall then be required by law, or

(B) institute such suit or proceeding for the foreclosure of this Indenture, with or without further, other or incidental relief, much as the appointment of a receiver, the specific enforcement of covenants or obligations or an injunction to prevent violations or threatened violations of any covenant, obligation or agreement provided by this Indenture.

(6) The Bondholder shall have and may exercise with respect to any or all personal property and fixtures included in the Mortgaged Property all rights, remedies and powers of a secured party under the Alabama Uniform Commercial Code with reference to such personal property or fixtures 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 (with or without declaring the Bonds due and payable) or otherwise utilize such personal property or fixtures and any part or parts thereof in any manner, to the extent authorized or permitted under the Alabama Uniform Commercial Code after default hereunder, without regard to preservation of such personal property or fixtures or its value and without the necessity of a court order. The Bondholder shall have, among other rights, the right to take possession of such personal property or fixtures 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 Bondholder, at its option and its sole discretion, to repair, restore or otherwise prepare

such personal property or fixtures for sale or lease or other use or disposition. To the extent permitted by law, the Issuer expressly waives any notice of sale or disposition of such personal property or fixtures or to the exercise of any other right or remedy of the Bondholder existing after default. To the extent that such notice is required and cannot be waived, the Issuer agrees that if such notice is given to the Issuer, in accordance with the provisions of this Indenture, at least ten 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.

SECTION 10.03 Sale of Project

On any sale of the Project or any part thereof by the Bondholder pursuant to any of the foregoing powers or pursuant to judicial authority:

(1) The principal of all the Bonds not yet matured or declared due shall forthwith become due, anything therein or herein to the contrary notwithstanding.

(2) The whole of the Project shall be sold in one parcel and as an entirety, unless the Bondholder shall deem such sale as an entirety to be illegal or impracticable or inadvisable by reason of some statute or other cause.

(3) Any part of the Equipment may be sold without having such property at the place of sale, and the Issuer, for itself, its successors and assigns and for all persons hereafter claiming through or under it hereby expressly waives and releases all right to have the Equipment or any part thereof at the place of sale upon any foreclosure sale thereof.

(4) The Bondholder may adjourn, or cause to be adjourned, from time to time, any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by law, such sale may be made, without further notice or publication, at the time and place to which the same shall be so adjourned.

(5) The Bondholder, may bid for and purchase the Project, or the portion thereof to be sold, at such sale.

(6) The Bondholder is hereby appointed, empowered and directed by the Issuer as its irrevocable attorney to convey, assign, transfer and deliver to the purchaser the property sold and make all necessary conveyances and transfers thereof, all of which the Issuer hereby ratifies. The entire right,

title, interest, claim and demand, legal and equitable, of the Issuer in the property sold shall be completely divested by such sale and the same shall be a perpetual legal and equitable bar to any claim by the Issuer thereto. The Issuer, however, if and when requested, will execute and deliver to the purchaser such instruments as may be requested by the purchaser in further assurance of the title so acquired.

(7) The purchaser upon paying the purchase money to the Bondholder and receiving its receipt therefor need not inquire into the authorization, necessity, expediency or regularity of the sale and need not see to or in any way be responsible for the application by the Bondholder of any part of the purchase money.

SECTION 10.04 Rights and Remedies of Bondholder on Default under Lease

The Bondholder shall have the right in the name of the Issuer to declare any default and exercise any remedy or remedies under the Lease Agreement or any other lease of the Project, including the right to declare the entire rent reserved under such lease immediately due and payable and to take any available proceedings against any party liable upon any such lease for the payment thereof, including any guarantor, if any, of the Corporation's obligations.

SECTION 10.05 Rights and Remedies of Bondholder in the Event of Bankruptcy, Etc. of Corporation or a Guarantor

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, composition or other judicial proceeding relative to any lessee, guarantor or other person obligated for rent on the Project or for payment of the Bonds, the Bondholder (irrespective of whether there has been a default under this Indenture) shall be entitled and empowered to intervene in such proceedings, to file and prove a claim or claims for the whole amount owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Bondholder (including any claim for reasonable compensation to the Bondholder, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Bondholder except as a result of its negligence or bad faith) allowed in any such judicial proceedings, to collect and receive any moneys or other property payable or deliverable on any such claims, and to take such other action therein as the Bondholder may deem necessary or appropriate to protect its interests.

SECTION 10.06 Rights of Corporation in Event of Default by Issuer under this Indenture

If the Corporation is not in default under the Lease Agreement and an Event of Default should occur under Section 10.01(2) of this Indenture, the Bondholder shall notify the Corporation in writing of the occurrence of such default contemporaneously with notice thereof given to the Issuer and the Corporation shall have the right to remedy such default hereunder within thirty days after such written notice, provided the Corporation shall pay all expenses of remedying such default. The exercise of the remedies set forth in Section 10.02 hereof is subject to the right of the Corporation under this Section to remedy a default as in this Section provided and limited.

SECTION 10.07 Application of Money Collected

Any money collected by the Bondholder pursuant to this Article or pursuant to any right given to it or action taken by it under the provisions of this Article, shall be applied as follows:

First. To the payment of all expenses of the Bondholder incurred in the exercise of its rights and remedies hereunder.

Second. To the payment of the principal and interest then due and unpaid upon all Bonds which are then Outstanding, with interest on overdue principal and, to the extent legally enforceable, interest on overdue interest at the rate provided in such Bonds.

Third. The surplus, if any, to the Issuer or to whomsoever may be entitled thereto.

SECTION 10.08 Remedies Cumulative

No remedy herein conferred upon or reserved to the Bondholder 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 hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 10.09 Delay or Omission Not a Waiver

No delay or omission of the Bondholder to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Bondholder may be exercised from time to time and as often as may be deemed expedient by the Bondholder.

SECTION 10.10 Remedies Subject to Applicable Law

All rights, remedies and powers provided by this Article may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Indenture invalid or unenforceable.

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be signed in its name and behalf by the Chairman of its Board of Directors and its corporate seal to be hereunto affixed and attested by its Secretary, and to evidence its acceptance hereof the Bondholder has caused this Indenture to be signed in its name and behalf by one of its officers, its official seal to be hereunto affixed and the same to be attested by one of its officers, both of whom are thereunto duly authorized, and the Issuer and the Bondholder have caused this Indenture to be dated as of January 1, 1994.

THE INDUSTRIAL DEVELOPMENT BOARD OF
THE TOWN OF PELHAM

By 
Its Chairman

S E A L

Attest: 

Secretary

AMSOUTH BANK, NATIONAL ASSOCIATION

By 

Its 

S E A L

Attest: 

Its Relationship Banking Assistant

S E A L

Attest: 

Its 

Vice President

ACKNOWLEDGMENT OF ISSUER

STATE OF ALABAMA
COUNTY OF SHELBY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that Daniel M. Spitler, Jr, whose name as Chairman of the Board of Directors of The Industrial Development Board of the Town of Pelham, a public 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 public corporation.

Given under my hand and seal this the 20th day of January, 1994.

Raymond C. Furr
Notary Public

NOTARIAL SEAL

My commission expires: June 19, 1996

ACKNOWLEDGMENT OF BONDHOLDER

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that R. Scott Pulliam, whose name as Officer of AmSouth Bank, National Association, a national banking association, 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 the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said national banking association.

Given under my hand and seal this the 2nd day of February, 1994

Jeanne Blachin
Notary Public

NOTARIAL SEAL

My commission expires: My COMMISSION EXPIRES NOVEMBER 18, 1996

EXHIBIT A
to
Mortgage and Indenture
dated as of
January 1, 1994

from

The Industrial Development Board
of the Town of Pelham

to

AmSouth Bank, National Association

A parcel of land located in the Northwest Quarter of the Southeast Quarter of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama, more particularly described by metes and bounds as follows:

Commence at the southeast corner of the NW 1/4 of the SE 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama, and run thence westerly along the south line of said quarter-quarter a distance of 442.32' to a point on the west side of a drainage canal; thence turn a deflection angle of 113° 54' 17" right, and run northeasterly along the west line of said canal a distance of 559.95' to a point; thence turn a deflection angle of 90° 00' 00" to the left and run west northwesterly a distance of 184.28' to the point of beginning of the property (shown hereon as Lot 13), being described; thence continue along last described course a distance of 179.66' to a point; thence turn a deflection angle of 92° 18' 03" to the right and run northeasterly a distance of 256.36' to a point; thence turn a deflection angle of 60° 27' 43" to the right and run northeasterly a distance of 216.91' to a point on the westerly line of a cul de sac being in a curve to the left having a radius of 80.0' and a central angle of 49° 11' 39"; thence run southeasterly along the arc of said curve an arc distance of 68.68' to a point; thence run southwesterly a distance of 323.30' to the point of beginning.

ALSO:

A parcel of land located in the Northwest Quarter of the Southeast Quarter of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama, more particularly described by metes and bounds as follows:

Commence at the southeast corner of the NW 1/4 of the SE 1/4 of Section 13, Township 20 South, Range 3 West, Pelham, Shelby County, Alabama and run thence westerly along the south line of said quarter-quarter a distance of 442.32' to a point on the west side of a drainage canal; thence turn a deflection angle of 113° 54' 17" right and run northeasterly along the west line of said canal a distance of 559.95' to the point of beginning of the property (shown hereon as Lot 12), being described; thence turn a deflection angle of 90° 00' 00" to the left and run west-northwesterly a distance of 184.28' to a point; thence turn a deflection angle of 103° 34' 07" right and run northeasterly a distance of 323.30' to a point of the southerly line of a cul de sac in a curve to the left having a radius of 80.0' and a central angle of 62° 27' 50"; thence run along the arc of said cul de sac curve an arc distance of 87.22' to the PRC (Point on Reverse Curve) of a curve to the right having a radius of 30.0' and a central angle of 56° 56' 48"; thence run along the arc of said curve an arc distance of 29.82' to the P.T. of said curve; thence continue along the tangent of last described curve a tangent distance of 2.60' to a point on the same said west line of same said canal; thence turn a deflection angle of 81° 57' 03" right and run southwesterly along said line of said canal a distance of 349.06' to the point of beginning.

EXHIBIT B
to
Mortgage and Indenture
dated as of
January 1, 1994

from

The Industrial Development Board
of the Town of Pelham

to

AmSouth Bank, National Association

Heating and air conditioning equipment and facilities,
electrical equipment and facilities, fire suppression and
extinguishment equipment and facilities, plumbing fixtures, and
building materials and supplies, installed in or about or
incorporated in the Series A Facilities.

Inst # 1994-03968

Inst # 1994-03968

02/07/1994-03968
08:25 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
051 MCD 134.50