

[Execution Copy]

**FIRST AMENDMENT TO
LEASE AGREEMENT**

Dated May 1, 1997

Between

**THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF COLUMBIANA**

and

NFA CORP.

**Relating to
\$8,100,000 Revenue Bonds (NFA Corp. Project),
Series 1992-A
issued by
The Industrial Development Board of the City of Columbiana**

Inst # 1997-17481

06/04/1997-17481
11:43 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 MEL 26.00

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FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT dated May 1, 1997 (this "Amendment") is entered into by **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF COLUMBIANA**, a public corporation organized under the laws of the State of Alabama (the "Issuer"), and **NFA CORP.**, a corporation organized under the laws of the Commonwealth of Massachusetts ("NFA").

Recitals

The Issuer has heretofore issued its \$8,100,000 aggregate principal amount of Revenue Bonds (NFA Corp. Project), Series 1992-A (the "Bonds") pursuant to that certain Trust Indenture dated June 1, 1992 (the "Original Indenture") between the Issuer and AmSouth Bank of Alabama (formerly AmSouth Bank N.A.), an Alabama banking corporation with its principal place of business in Birmingham, Alabama (the "Trustee"), which instrument was recorded as instrument no. 1992-12553 in the Probate Office of Shelby County, Alabama (the "Probate Office"). The Bonds were issued for the purposes of (i) refunding the Issuer's \$4,800,000 Revenue Bonds (NFA Corp. Project), Series 1991-A dated June 1, 1991 and (ii) financing a portion of the costs of acquiring, constructing and equipping certain improvements to existing industrial facilities (the "Project").

The Issuer and NFA have heretofore entered into a Lease Agreement dated June 1, 1992 (the "Original Lease Agreement"), which instrument was recorded as instrument no. 1992-12554 in the Probate Office, whereby the Issuer has leased the Project to NFA and NFA has agreed to pay rentals to the Issuer at such times and in such amounts as shall be sufficient to pay when due the principal of, premium (if any) and interest ("Debt Service") on the Bonds. Pursuant to the Original Indenture, the Issuer has assigned and pledged to the Trustee all the Issuer's rights under the Lease Agreement, except for certain rights relating to indemnification, reimbursement of expenses and receipt of notices and other communications.

NFA has requested that the Issuer enter into a First Supplemental Trust Indenture dated May 1, 1997 pursuant to which (i) the final maturity of the Bonds will be extended from June 1, 2004 to June 1, 2011, and (ii) the schedule of mandatory redemption payments will be amended so that no annual mandatory redemption will be required after June 1, 1996.

NFA has requested that the Issuer enter into this instrument for the purpose of extending the term of the Original Lease Agreement to a term equal to the term of the Bonds. The consent of the Bank to this Amendment is attached hereto as Exhibit A. The consent of the Trustee to this Amendment is attached hereto as Exhibit B. All of the Bondholders also have consented to the terms of this Amendment.

NOW, THEREFORE, for and in consideration of the premises, the Original Lease Agreement is hereby amended as follows:

SECTION 1 Definitions and Amendment of Section 1.01 of the Original Lease Agreement

For all purposes of this Amendment, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Original Lease Agreement. As used in this Amendment, the following terms shall have the meanings assigned below:

Original Lease Agreement shall mean the Lease Agreement as originally executed.

SECTION 2 Amendment of Section 4.01 of the Original Lease Agreement

Section 4.01 of the Original Lease Agreement is hereby amended in its entirety to read as follows:

SECTION 4.01 Lease Term

The term of this Lease Agreement shall begin on the date of the delivery of this Lease Agreement and, unless renewed and extended in accordance with the terms of this Lease Agreement and the Indenture, shall continue until midnight of June 1, 2011.

SECTION 3 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 4 Date of Amendment

The date of this Amendment is intended as and for a date for the convenient identification of this Amendment and is not intended to indicate that this Amendment was executed and delivered on said date.

SECTION 5 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Issuer and NFA have caused this instrument to be duly executed, and their respective corporate seals to be hereunto affixed and attested.

**THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF COLUMBIANA**

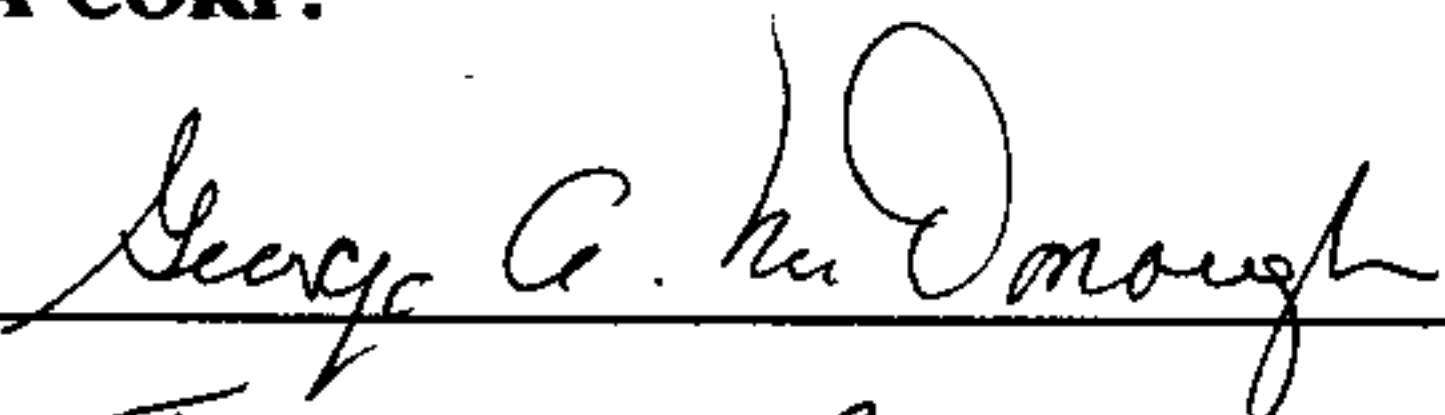
By 
Its Chairman of the Board of Directors

[S E A L]

Attest:


Its Secretary

NFA CORP.

By 
Its TREASURER

This instrument was prepared by:

Kathleen A. Collier
Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue North
Suite 2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2602
(205) 254-1000

STATE OF ALABAMA

Shelby COUNTY

I, the undersigned authority, a Notary Public in and for said County in said State, do hereby certify that George Bentley, whose name as Chairman of the Board of Directors of The Industrial Development Board of the City of Columbiana, 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 corporation.

Given under my hand and official seal this the 29 day of May, 1997.

Daphne O. Pugh
Notary Public

AFFIX SEAL

My Commission expires: 4-8-98

STATE OF ALABAMA

Shelby COUNTY

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that George McDonough, whose name as Treasurer of NFA Corp., a Massachusetts corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 29 day of May, 1997.

Daphne O. Pugh
Notary Public

AFFIX SEAL

My Commission expires: 4-8-98

EXHIBIT A

CONSENT OF THE BANK

AmSouth Bank of Alabama, in its capacity as issuer of the Letter of Credit, hereby consents to the foregoing Amendment.

AMSOUTH BANK OF ALABAMA

By *Joseph A. Chad*
Its *Vice President*

EXHIBIT B

CONSENT OF THE TRUSTEE

AmSouth Bank of Alabama, in its capacity as trustee under the Indenture referred to above, hereby consents to the foregoing Amendment.

**AMSOUTH BANK OF ALABAMA, as
Trustee**

By Karlee Partin
Its ASSISTANT VICE PRESIDENT
AND CORPORATE TRUST OFFICER

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