

NOTE

SL-480,295-BHAM
SBA LOAN NO.

(For Direct Loan Not Over \$25,000)

City & State BIRMINGHAM, ALABAMA\$ 11,800.00Date November 23, 19 65

For value received, Robert L. Gallamore, d/b/a ENSLEY SEWING MACHINE COMPANY (hereinafter called "Undersigned"), promises to pay to the order of Small Business Administration (hereinafter called "Payee"), at Payee's Office in the city of ATLANTA, State of GEORGIA, or at Payee's option, at such other place as may be designated from time to time by the Payee, the sum of (write out amount) ELEVEN THOUSAND EIGHT HUNDRED & NO/100 dollars, with interest on the unpaid principal computed from the date of each advance to the Undersigned at the rate of five & one-half (5-1/2) percent per annum, payment to be made in installments as follows:

Installments, including principal and interest, each in the amount of \$198.00, payable monthly, beginning three (3) months from date, each said installment to be first applied to interest accrued to the date of receipt of said installment, and the balance, if any, to principal; and the balance of principal and interest payable on or before six (6) years from date.

Undersigned further agrees that if at any time SBA elects to sell or transfer its interest in the Loan to a non-governmental transferee and SBA determines in its sole discretion at that time that a reasonable rate of interest, taking into consideration all pertinent factors, on commercial obligations, with approximately the remaining term of this Note and similar repayment experience, in the section of the country in which the Undersigned or its principal place of business is located, is greater than five & one-half percent (5-1/2%) per annum, then SBA is hereby authorized to specify that such higher rate of interest shall be the rate on the unpaid principal computed from the date of such transfer, but such rate shall not exceed seven and one-half percent (7½%) per annum. The Undersigned shall be notified in writing not less than thirty (30) days before the effective date of the increase in the rate of interest resulting from the aforesaid transfer by SBA. This obligation to pay such increased rate of interest shall be binding upon the Undersigned, its successors or assigns.

Payment of any installment of principal or interest owing on this Note may be made prior to the maturity date thereof without penalty.

Affirmative Covenants. - The Undersigned covenants and agrees that, until the payment in full of the moneys owing on this Note, the Undersigned will:

1. Deliver to Payee within 45 days after the end of each fiscal annual period, a balance sheet of the Undersigned as of such date and a profit and loss statement of the Undersigned for such fiscal period, in form satisfactory to the Payee;
2. Deliver to Payee with reasonable promptness such other financial data at such times and in such form as Payee may request;
3. Pay all taxes, assessments and other governmental charges to which the Undersigned, or the property of the Undersigned, is or shall be subject before such charges become delinquent, except that no such charge need be paid so long as its validity or amount shall be contested in good faith by appropriate proceedings and the Undersigned shall have set up on the books of the Undersigned such reserve with respect thereto as shall be required by sound accounting practices;
4. Keep all of the real and tangible personal property of the Undersigned insured in such amounts and against such risks as may be satisfactory to the Payee or as are commonly insured against in the same areas by owners of similar property, and maintain in force policies of insurance, satisfactory to Payee, against liability for damage to persons or property and under all applicable workmen's compensation laws.

EXHIBIT "A"

SBA Form 326D (7-65)