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GREENVILLE, CO. S. C.

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SMALL BUSINESS ADMINISTRATION
R.H.C.
LOAN AGREEMENT

SBA LOAN NO.

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To induce SOUTHERN BANK & TRUST COMPANY
(SBA or other lending institution)

(hereinafter called "Lender") to make, and in consideration of the making of a loan or any part thereof (hereinafter called "Loan") to

SMITH-DRAKE COMPANY, INC.

(hereinafter called "Borrower"), approved by Authorization of SBA dated December 22, 1972 (which Authorization and all amendments thereof, heretofore and hereafter issued, are hereinafter collectively called "Authorization") Borrower hereby represents and warrants to, and agrees with, Lender, its successors or assigns, and each of them that:

1. Use of Proceeds.—Borrower will use the proceeds of the Loan solely for the purposes set forth in the Authorization.
2. Reimbursable Expenses.—Borrower will, on demand, reimburse Lender for any and all expenses incurred, or which may be hereafter incurred, by Lender from time to time in connection with or by reason of Borrower's application for, and the making and administration of the Loan.

3. Books, Records, and Reports.—Borrower will at all times keep proper books of account in a manner satisfactory to Lender and SBA. Borrower hereby authorizes Lender or SBA to make or cause to be made, at Borrower's expense and in such manner and at such times as Lender or SBA may require, (a) inspections and audits of any books, records and papers in the custody or control of Borrower or others, relating to Borrower's financial or business conditions, including the making of copies thereof and extracts therefrom, and (b) inspections and appraisals of any of Borrower's assets. Borrower will furnish to Lender for the twelve month period ending December 31, 1972 and annually thereafter (no later than 2 months following the expiration of any such period) and at such other times and in such form as Lender may prescribe, Borrower's financial and operating statements, including schedules showing all compensation then being paid by Borrower to all officers, directors, holders of 10% or more of Borrower's capital stock, partners or proprietors. Borrower hereby authorizes all Federal, State and municipal authorities (a) to furnish reports of examinations, records, and other information relating to the conditions and affairs of Borrower and any desired information from reports, returns, files, and records of such authorities upon request therefor by Lender or SBA; and (b) to permit representative of Lender or SBA to have full access from time to time to, and make copies of and extracts from, any and all reports or returns by, or with respect to Borrower, and all reports of examiners or other information concerning Borrower contained in the files and records of such authorities.

4. Fixed Asset Limitation.—Borrower will not in any fiscal year make or incur any obligation to make any expenditures for the acquisition of or improvement or addition to any real property, machinery, equipment, fixtures or furniture, by purchase or by lease purchase agreement or option, the aggregate cost or annual rental of which is in excess of \$_____, exclusive of such fixed assets to be acquired with the proceeds of the Loan or any part thereof.

5. Payment of Life Insurance Premiums.—Borrower agrees, with respect to any life insurance assigned or which may be required to be assigned or pledged as collateral for the Loan, that it will at all times, while said Loan or any part thereof remains unpaid, promptly pay or cause to be paid any and all premiums or charges due or payable upon or on account of any such policy or policies so assigned or pledged, and will at all times, while said Loan or any part thereof remains unpaid, maintain and continue such policy or policies in full force and effect, and will take any and all action necessary or required by Lender or by the company or companies issuing any such policy or policies to complete, perfect and preserve the rights of the insured or beneficiary to the end that any such policy or policies will not lapse or be subject to any claim whatsoever. In the event Borrower fails to pay any such premiums when due, Lender may advance the amount necessary to pay such premiums and add the amount so advanced to the principal indebtedness owing on account of the Loan.

6. Distributions and Compensation.—Borrower will not, without the prior written consent of Lender or SBA (a) if Borrower is a corporation, declare or pay any dividend or make any distribution upon its capital stock, or purchase or retire any of its capital stock, or consolidate, or merge with any other company, or give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any company directly or indirectly controlling or affiliated with or controlled by Borrower, or any other company, or to any officer, director, or employee of Borrower, or of any such company, (b) if Borrower is a partnership or individual, make any distribution of assets of the business of Borrower, other than reasonable compensation for services, or give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any partner or any of its employees, or to any company directly or indirectly controlling or affiliated with or controlled by Borrower, or any other company, or (c) increase the compensation of any person above the respective amounts shown for such person in paragraph 7 hereof, or create any new position for any such person; provided that Borrower may fill, through promotion, new employment or otherwise, a vacancy in any of the offices or positions shown in said paragraph 7 at not more than the rate of compensation for such office or position set forth therein. If any company directly or indirectly controlling, affiliated with, or controlled by Borrower shall increase the compensation paid by it to any person so that the aggregate amount payable to such person from all such sources exceeds the respective amount shown in said paragraph 7, the compensation payable to such person by Borrower will be forthwith correspondingly reduced and immediate notice thereof given to Lender by Borrower.

7. Compensation.—Borrower will limit the total annual compensation (including salaries, withdrawals, fees, bonuses, commissions, drawing accounts and other payments whether direct or indirect, in money, or otherwise) of all officers, stockholders, directors, partners, proprietors or others named herein to the following named persons in the amount set opposite each respective name:

Name	Position	Amount
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and, if permitted by the Authorization, such additional amount to each said party as may be necessary to pay his income taxes on said compensation computed on the basis that such compensation is his only income, provided that such additional amount shall not exceed the net tax payable by each said party. Borrower, if a corporation, may, upon prior written notice to Lender of its intention so to do, accrue on its books or pay additional compensation to any person named herein provided that, if paid, such additional compensation is immediately loaned to Borrower by such person for the use of Borrower until the Loan is paid in full.

8. Fees and Commissions.—Borrower has not, directly or indirectly, paid or agreed to pay, or procured any person, partnership, association or corporation, to pay or agree to pay, and will not directly or indirectly pay or agree to pay, or procure any person, partnership, association or corporation, to pay or agree to pay, (a) any bonus, fee, commission or other compensation in any form in connection with the application for or the obtaining of the Loan; or (b) any charge or expense, in any form, in connection with said application or Loan, for the services of any kind of an appraiser, accountant, attorney, or any other party whatever, whether a person, partnership, association or corporation, whether for evidencing matters required to be presented with reference to said application or Loan, or for services in any manner connected with said