

Mortgagee's request, will permit representatives of Mortgagee to examine and make extracts from its books and records, including corporate records; will deliver to Mortgagee semi-annual financial and operating records within sixty (60) days of the close of each semi-annual period and will deliver to Mortgagee, within ninety (90) days after the end of each fiscal year, financial report of Mortgagor's business as of the end of each such fiscal year consisting of a balance sheet and income statement; and hereby authorizes all duly constituted Federal, state and municipal authorities to furnish to Mortgagee copies of any reports of examinations of Mortgagor made by them.

11. Mortgagor will maintain a tangible net worth of at least Seven Hundred Thousand Dollars (\$700,000.00), the term "tangible net worth" meaning the amount by which its assets (excluding goodwill, treasury stock, patents, appreciation of plant and equipment, investment in subsidiaries in excess of undistributed net earnings thereof, and all other items commonly excluded under generally accepted accounting principles) exceed its liabilities; and will maintain a net working capital of at least Five Hundred Thousand Dollars (\$500,000.00), the term "net working capital" meaning the amount by which Mortgagor's current assets exceed its current liabilities, computed in accordance with generally accepted accounting principles.

12. Mortgagor, without the prior written consent of Mortgagee, will not (i) pledge, mortgage or otherwise encumber any of its accounts receivable, inventory or other assets except to Commercial Credit and except for the prior mortgage on its real estate granted to Southern Life Insurance Company; (ii) sell or otherwise dispose of any of its fixed assets, except in the ordinary course of business and pursuant to its policy of disposing of obsolescent equipment; (iii) directly or indirectly make any investments in any other business entities, except wholly-owned corporate subsidiaries, or make any loans or advances to any of its officers, stockholders, directors or affiliated companies; (iv) allow its corporate franchise or charter to lapse, merge or consolidate with any other corporation, or sell, lease, transfer or otherwise dispose of its assets as an entirety to any other person, firm or corporation.

13. The Note may be prepaid in full or in part at any time without penalty.

14. The Note shall become due and payable immediately, without notice or demand, (a) upon the voluntary filing of a petition for the appointment of a receiver, for Mortgagor or any of its property; (b) the filing of a petition in insolvency or under any Chapter of the Bankruptcy Code, as amended, by Mortgagor, or (c) the making of an assignment for the benefit of Mortgagor's creditors.

Mortgagee is authorized, at its option, to declare the Note immediately due and payable, upon the happening of any of the following events which, together with those set forth above, are herein called "Events of Default", provided that the Events of Default described as (d), (e), (h), (i) and (j), shall not have been cured by Mortgagor within thirty (30) business days after Mortgagee's mailing of notice thereof to Mortgagor:

(d) Default in the payment of any installment of principal or interest due on said Note;

(e) Default in the payment of any installment of principal or interest due under any other Note or obligation from Mortgagor to Mortgagee;

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