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and surrender hereof to Payne Industries, Inc., a South Carolina corporation (the "Corporation"), at the principal office of the registered owner hereof or at such other address designated by the Lender pursuant to the terms of the Indenture. All other installments of principal and interest hereon shall be paid to the registered owner in immediately available funds at any account designated by such owner maintained in a bank or similar financial institution that either clears through the federal reserve system or has arrangements permitting items handled for such bank or financial institution to be so cleared through the federal reserve system on the due date for such payment. If no account is designated such payments may be made by check or draft drawn on or certified by a bank and mailed to such person at his address last appearing on the Note Register. Any claim for increased interest for the period between an Event of Taxability and a Determination of Taxability shall be payable on the next payment date, whether a monthly interest payment date or the date of maturity or prepayment hereof, next succeeding a Determination of Taxability. In the event a Determination of Taxability is rescinded, the difference between the amount of interest actually paid hereon and the amount that would have accrued but for such Determination, shall be refunded by the holder to the Corporation. The Corporation shall have the right to enforce any such refund due it or, at the option of the Corporation in default of such refund, such amount may be applied as a credit against subsequent payments hereon.

This note is duly authorized and issued by the Issuer and designated as "Greenville County, South Carolina, Industrial Development Revenue Note (Payne Industries, Inc. Project) 1983," issued in the original principal amount of \$1,000,000 under and pursuant to the Constitution and Laws of the State of South Carolina, particularly Chapter 29 of Title 4 of the Code of Laws of South Carolina, 1976, as amended, (the "Act") and under and secured by an Indenture by and between the Issuer and Bankers Trust of South Carolina, a banking corporation (the "Lender"), dated as of July 1, 1983 (the "Indenture"). This note is being issued to defray the costs of acquiring certain land and a building or buildings and other improvements thereon and all other machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of manufacturing textile fabrics (the "Project"). The Project will be made available to Payne Industries, Inc., a South Carolina corporation (the "Corporation"), pursuant to the terms of a Mortgage and Financing Agreement dated as of July 1, 1983 (the "Agreement") between the Issuer and the Corporation.

Pursuant to the terms of the Agreement, the Corporation has obligated itself to make payments to or for