

under the Agreement. Payment of the principal and interest on this note has been unconditionally guaranteed to the Lender by the Corporation pursuant to the terms of a Guaranty dated as of September 1, 1983 (the "Parent Guaranty"), and by National Tool of South Carolina, Inc. pursuant to the terms of a Guaranty dated as of September 1, 1983 (the "Subsidiary Guaranty").

Copies of the Indenture and the Agreement are on file in the Office of the Clerk of Court for Greenville County, South Carolina, and reference is made to the Indenture and the Agreement for the provisions relating, among other things, to the terms and security for this note, the collection and disposition of the revenues and receipts of the Issuer derived pursuant to the Agreement, the custody and application of the proceeds of this note, the rights and remedies of the holders of this note, the rights, duties and obligations of the Issuer, the Corporation and the Lender and the modification or amendment of any of the foregoing.

This note is secured, to the extent provided in the Indenture, solely by a pledge of the revenues and receipts derived by the Issuer pursuant to the Agreement and by an assignment of the rights of the Issuer under the Agreement. This note and the interest payments becoming due hereon are limited obligations of the Issuer payable solely from the revenues and receipts derived by the Issuer pursuant to the Agreement, and do not and shall never constitute an indebtedness of the Issuer within the meaning of any constitutional provision or statutory limitation and do not and shall never constitute or give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing power. The full faith, credit and taxing power of the Issuer are not pledged for the payment of the principal or interest on this note.

The transfer of this note is registrable, as provided in the Indenture, upon the Note Register kept for that purpose at the principal corporate office of the Corporation by the registered owner hereof, in person or by his attorney duly authorized in writing, upon surrender of this note together with a written instrument of transfer satisfactory to the Corporation, duly executed by the registered owner or his attorney duly authorized in writing, and thereupon shall be reissued to the transferee with a notation as to the principal amount outstanding as of the date of such transfer, as provided in the Indenture, and upon payment of the charges therein prescribed. The Issuer and the Corporation may deem and treat the person in whose name this note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or prepayment price hereof and interest due hereon and for all other purposes.

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