

"Subsidiary Guaranty" shall mean the Guaranty dated as of September 1, 1983 given by National Tool of South Carolina, Inc. to the Lender.

Section 2. The following definitions shall be added to Article I of the Indenture:

"First Amendatory Agreement" shall mean the First Amendatory Mortgage and Financing Agreement dated as of December 1, 1983, between the Corporation and the Issuer.

"First Amendatory Indenture" shall mean this First Amendatory Indenture dated as of December 1, 1983 between the Issuer and the Lender.

"National Tool of S.C. Note" shall mean the \$500,000 Greenville County, South Carolina, Industrial Development Revenue Note (National Tool of South Carolina, Inc. Project) 1983 authorized, issued, executed and delivered by the Issuer pursuant to the Indenture as amended by this First Amendatory Indenture.

"Notes" shall mean the \$1,000,000 Greenville County, Industrial Development Revenue Note (National Tool and Manufacturing Company Project) 1983 and the \$500,000 Greenville County, South Carolina, Industrial Development Revenue Note (National Tool of South Carolina, Inc. Project) 1983.

Section 3. The first paragraph of Section 2.01 of Article II of the Indenture is amended to read:

ARTICLE II

DESCRIPTION, AUTHORIZATION, MANNER OF EXECUTION, REGISTRATION AND TRANSFER OF NOTES

Section 2.01. Authorization and Details of Notes. There shall be issued under and secured by the Indenture a series of Notes to be designated "Greenville County, South Carolina, Industrial Development Revenue Notes" in the aggregate principal amount of \$1,500,000. The Notes are to be issued as two separate fully registered notes as follows: \$1,000,000 in original principal amount to be designated as the Parent Note and \$500,000 in original principal amount designated as the National Tool of S.C. Note.

Section 4. The following description of the National Tool of S.C. Note shall be added to Section 2.01 of the Indenture, immediately following the first paragraph.

The National Tool of S.C. Note shall be dated December 7, 1983, or such later date as agreed to by the Issuer on or before January 31, 1984 and shall bear interest from such