

SCHEDULE BPERMITTED ENCUMBRANCESFURMAN PLANT

1. UCC Financing Statement No. 84-2804, showing Woodside Mills, Inc. as debtor, and FNB Financial Co. as secured party.
2. Taxes for the year 1985 and subsequent years a lien, but not yet due and payable.
3. Easements for utility installation and maintenance:

To:	Date:	Book:	Page:
Colonial Pipeline Co.	7/27/62	707	25
Colonial Pipeline Co.	7/09/62	709	82
Duke Power	9/19/66	806	533
4. Cathodic Protection Facility Easement to Colonial Pipeline dated 12/16/63, recorded in Deed Book 739, at Page 57.
5. Encroachment upon insured premises by fence appurtenant to the property adjoining on the southeastern boundary as shown on plat recorded in Plat Book 10-Q, at Page 38, entitled Property of Woodside Mills, Inc., prepared by John A. Simmons, RLS, dated 5/26/84, updated December 14, 1984.
6. Overhead power line as shown on the above-referenced plat.

HAYNSWORTH PLANT

1. UCC Financing Statement No. 84-2804, showing Woodside Mills, Inc. as debtor, and FNB Financial Co. as secured party.
2. Taxes for the year 1985 and subsequent years a lien, but not yet due and payable.
3. Easements for utility installation and maintenance:

To:	Date:	Book:	Page:
Duke Power	12/20/27	6-C	182
Duke Power	5/01/72	17-K	109
4. Lease to Duke Power from Dan River for substation lot dated 6/7/79, recorded in Deed Book 19-C, at Page 375 including right-of-way and easement (general).

As to Parking Lot:

1. Taxes for the year 1985 and subsequent years, a lien but not yet due and payable.
2. Easements for utility installation and maintenance:

To:	Date:	Book:	Page:
Duke Power	6/04/37	6-V	98
Duke Power	5/14/48	J-8	62