

any charge hereof, no such act or omission shall release, discharge, modify, change or affect the original liability under the Note, this Mortgage or otherwise of the Borrower, or any subsequent purchaser of THE PROPERTY or any part thereof or any maker, co-signer, endorser, surety or guarantor. No such act or omission shall preclude the Noteholder from exercising any right, power or privilege herein granted or intended to be granted in case of any Event of Default then existing or of any subsequent Event of Default nor, except as otherwise expressly provided in an instrument or instruments executed by the Noteholder, shall the lien of this Mortgage be altered thereby, except to the extent of releases as described in subparagraph (d) above of this paragraph 3.14. In the event of the sale or transfer by operation of law or otherwise of all or any part of THE PROPERTY, the Noteholder, without notice to any person, firm or corporation, is hereby authorized and empowered to deal with any such vendee or transferee with reference to THE PROPERTY or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any of the liabilities or undertakings hereunder.

3.14 Discontinuance of Proceedings; Position of Parties Restored. If the Noteholder shall have proceeded to enforce any right or remedy under this Mortgage by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or such proceedings shall have resulted in a final determination adverse to the Noteholder, then and in every such case the Borrower and the Noteholder shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Noteholder shall continue as if no such proceedings had occurred or had been taken.

3.15 Remedies Cumulative. No right, power or remedy conferred upon or reserved to the Noteholder by the Note, this Mortgage or any other instrument securing the Note is exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Note or any other instrument securing the Note, or now or hereafter existing at law, in equity or by statute.

3.16 Interest After Event of Default. If an Event of Default shall have occurred, all sums outstanding and unpaid under the Note and this Mortgage shall, at Noteholder's option, bear interest at the Default Rate set forth herein. In such event, any deferred interest provision, as contained in the Note, shall be inoperative, and interest at the Default Rate shall be currently payable.

ARTICLE FOUR

MISCELLANEOUS PROVISIONS

4.01 Heirs, Successors and Assigns Included in Parties. Whenever one of the parties hereto is named or referred to herein, the heirs, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of the Borrower or the Noteholder shall bind and inure to the benefit of their respective heirs, successors and assigns, whether so expressed or not.

4.02 Addresses for Notices, Etc.

(a) Any notice, report, demand or other instrument authorized or required to be given or furnished under this Mortgage to the Borrower or the Noteholder shall be deemed given or furnished (i) when addressed to the party intended to receive the same, at the address of such party set forth below, and delivered at such address or (ii) three days after the same is deposited in the United States mail as first class certified mail, return receipt requested, postage paid, whether or not the same is actually received by such party:

Noteholder: Aetna Business Credit, Inc.
P. O. Box 118
Hartford, Connecticut 06101
Attention: Northeast Service Center

Copy to:

Borrower: Bowsteel Corporation
36 Brunswick Avenue
Copy to: Edison, New Jersey

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

4.03 Headings. The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof, and shall not limit or expand or otherwise affect any of the terms hereof.

4.04 Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in the Note, or in this Mortgage or in any other instrument securing the Note shall be deemed invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein or in the Note or in any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby; and if any application of any term, restriction or covenant to any person or circumstances is deemed illegal or unenforceable, the application of such term, restriction or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

4.05 Changes, Etc. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement hereafter made by the Borrower and the Noteholder relating to this Deed of Trust shall be superior to the rights of the holder of any intervening lien or encumbrance.

4.06 Governing Law. This Mortgage is made by the Borrower and accepted by the Noteholder in the State of South Carolina, under the laws of such State and shall be construed, interpreted, enforced and governed by and in accordance with the laws of such state.

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