

**FINANCING STATEMENT  
UNDER UNIFORM COMMERCIAL CODE**

39

This FINANCING STATEMENT is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code.

Maturity Date (Optional) \_\_\_\_\_

Debtor(s) (Last Name First) and Address(es)  ANCHOR COMPANY, INCORPORATED P.O. Box 1067 Petersburg, Virginia 23803	Secured Party: Name and Address:  See Schedule 1 attached	(Do not write in this space) For Filing Officer: Date No. Filing Office 9 20 10 REGISTRY AGENS DEEDS N.C.
--	---	---

COLLATERAL: This Financing Statement covers the following types (or items) of property:

Assignee of Secured Party and Address:

All the following property, whether now owned or hereafter acquired: Debtor's accounts, chattel paper, general intangibles, documents, furniture, fixtures, equipment, machinery and other tangible and intangible personal property, EXCEPT inventory and items (if any) indicated on Schedule 2 attached.

Proceeds of Collateral are also covered.

Products of Collateral are also covered.

The described crops are growing or to be grown on:

The described goods are or are to be affixed to:  
(Describe Real Estate Below)

Name(s) of Partnership of  
Record } K&S Investment Company  
Owner(s): } R.C.S., Inc.

Parkview Mall  
 Waughtown St. at Reynolds Park Road, Winston-Salem, N.C.  
 No. & Street \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_

This statement is filed without the debtor's signature to perfect a security interest in collateral (check appropriate box)

- already subject to a security interest in another jurisdiction when it was brought into this state.  
 which is proceeds of the original collateral described above in which a security interest was perfected.

Filed with  Secretary of State  ~~XXXXXX~~ REGISTER OF DEEDS - Forsyth County ~~XXXXXX~~

ANCHOR COMPANY, INCORPORATED

By [Signature]  
 President (Signature(s) of Debtor(s))

By \_\_\_\_\_  
 Signature of Secured Party (or Assignee)

If additional space is needed for collateral and/or real estate description show number of sheets attached 2

Record of poor quality due to condition of original document.

1231P0014

SCHEDULE 1

Secured Parties

UNITED VIRGINIA BANK  
900 East Main Street  
Richmond, Virginia 23219

UNITED VIRGINIA BANK OF WILLIAMSBURG  
Duke of Gloucester Street  
P. O. Box 200  
Williamsburg, Virginia 23185

UNITED VIRGINIA BANK/ROCKBRIDGE  
45 South Main Street  
Lexington, Virginia 24450

UNITED VIRGINIA BANK/CITIZENS AND MARINE  
2501 Washington Avenue  
~~Box 510~~  
Newport News, Virginia 23607

UNITED VIRGINIA BANK/NATIONAL VALLEY  
2-14 West Beverley Street  
P. O. Box 1269  
Staunton, Virginia 24401

UNITED VIRGINIA BANK OF GLOUCESTER  
Main Street  
P. O. Box 710  
Gloucester, Virginia 23061

UNITED VIRGINIA LEASING CORPORATION  
900 East Main Street  
Richmond, Virginia 23219

Record of poor quality due to  
condition of original document.

1231P0015

SCHEDULE 2

This Financing Statement does not cover the following items of property:

1. Property and equipment leased by Southern Company, Incorporated and Anderton's Department Store, Incorporated from FIRSTMARK LEASING CORPORATION, 107 Delaware Avenue, Buffalo, New York, under a Lease Agreement and Agreement to Purchase dated September 28, 1976 (Lease #494680), and guaranteed by Southern Department Stores, Incorporated, Grayson's, Incorporated, and Weaver's, Incorporated.
2. Store fixtures leased by Southern Department Stores, Incorporated from EQUITABLE LEASING CORPORATION, Suite 1504, Northwestern Bank Building, P. O. Box 2779, Asheville, North Carolina 28802, by Lease Agreements dated March 8, 1974 (#74043), March 25, 1974 (#74043-1), April 12, 1974 (#74043-2), May 6, 1974 (#74043-3), July 26, 1974 (#74043-4), May 6, 1975 (#75064), June 24, 1975 (#75071), and May 1, 1975 (#75090).
3. Equipment leased by Anchor Company, Incorporated ("Anchor"), Casey's, Incorporated ("Casey's"), and Rucker-Rosenstock, Incorporated ("Rucker") from UNITED VIRGINIA LEASING CORPORATION, 900 East Main Street, Richmond, Virginia 23219, by Lease Agreements dated June 6, 1972 (Anchor, #U-0009), June 6, 1972 (Rucker, #U-0010), August 6, 1973 (Anchor, #U-0235), and August 6, 1973 (Casey's, #U-0236), and guaranteed by Southern Department Stores, Incorporated.
4. Department store fixtures and equipment leased by Southern Department Stores, Incorporated ("SDS") and its subsidiary corporations ("subsidiaries") from UNITED STATES LEASING CORPORATION, P. O. Box 37477 Rincon Annex, San Francisco, California 94137, under Lease Agreements dated July 12, 1966 (SDS and subsidiaries, #01034208-01), November 20, 1970 (Rucker, #01061042-01), September 20, 1974 (Williamsburg Shop, Incorporated, #01079722-01), December 30, 1974 (Casey's, #01102225-01), September 30, 1975 (Betts, Incorporated, #01206498-01), April 20, 1976 (Crumplers, Incorporated, #01034208-02), April 20, 1977 (Anchor, #01235582-01), May 30, 1977 (Grayson's, Incorporated, #01034208-03).
5. All of the above described leases and Debtor's interest therein.

Record of poor quality due to condition of original document.

1231P0016