

AGENDA MATERIALS
AND SUPPORTING DOCUMENTS
FOR THE MEETING OF
MAY 21, 1971

McNAIR, KONDUROS & CORLEY

ROBERT E. McNAIR
JAMES S. KONDUROS
O. WAYNE CORLEY

LAW OFFICES
SUITE ONE - NINTH FLOOR
JEFFERSON SQUARE
COLUMBIA, SOUTH CAROLINA 29201
803-779-5026

June 2, 1971

The Honorable P. C. Smith
State Auditor
Hampton Building
Columbia, South Carolina

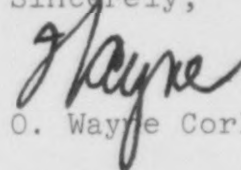
Dear Pat:

Enclosed is your completed file copy
of the Bigelow-Sanford Bond issue.

We appreciate the Budget and Control
Board's assistance and approval in this matter.

With kind regards, I am

Sincerely,



O. Wayne Corley

OWC/cf

Enclosure

PROCEEDING OF THE STATE BUDGET
AND CONTROL BOARD OF SOUTH CAROLINA
Re: \$2,700,000
INDUSTRIAL REVENUE BONDS
(BIGELOW-SANFORD, INC.)
OF GREENVILLE COUNTY, SOUTH CAROLINA

1851

PROCEEDING OF THE STATE BUDGET
AND CONTROL BOARD OF SOUTH CAROLINA
Re: \$2,700,000
INDUSTRIAL REVENUE BONDS
(BIGELOW-SANFORD, INC.)
OF GREENVILLE COUNTY, SOUTH CAROLINA

FOR DENSITY TESTING PURPOSES ONLY

1851

Columbia, South Carolina

May 21, 1971

The State Budget and Control Board of South Carolina convened in called session at the regular meeting place of the board at the office of the Governor, in the Capitol Building, in the City of Columbia, South Carolina at 10:00 o'clock A.M., on May 21, 1971, with the following members present:

John C. West, Governor of the State
of South Carolina and
Chairman of the board

Grady L. Patterson, Jr., State Treasurer

John Henry Mills, Comptroller General

_____, Chairman, Senate
Finance Committee

Robert J. Aycock, Chairman, House Ways
and Means Committee

Absent: Edgar A. Brown

There was also present P.C. Smith, State Auditor
and Secretary to the Board.

After the meeting has been duly called to order by the Chairman and the roll called with the above result, and after the minutes of the preceding meeting has been read and approved, the Chairman announced that one purpose of the meeting was to consider the adoption of a resolution approving the proposed issuance by Greenville County, South Carolina, of \$2,700,000 principal amount Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.)

Thereupon, the following resolution was introduced in
written form by Grady L. Patterson, Jr., was read in full, and, after due
discussion, pursuant to motion made by Grady L. Patterson, Jr. and

seconded by John Henry Mills, was adopted by the following vote:

Aye: John C. West

Grady L. Patterson, Jr.

John Henry Mills

Robert J. Aycock

Nay: _____

The resolution was thereupon signed by the Chairman in evidence of his approval, was attested by the Secretary and was declared to be effective. The resolution is as follows:

A RESOLUTION approving the issuance by Greenville County, South Carolina, of \$2,700,000 principal amount Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) pursuant to the provisions of Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967.

WHEREAS the Greenville County Council of Greenville County, South Carolina (the "County Council") has heretofore, by submitting a petition under and pursuant to the provisions of Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967 (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Greenville County pursuant to the Act of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) in the aggregate principal amount of \$2,700,000 (the "Bonds"); and

WHEREAS the County proposes to issue the Bonds for the purpose of financing the acquisition and construction of an industrial development project under the Act, consisting of land and a computer and research center and related office facilities to be constructed thereon (collectively referred to as the "Project"); and

WHEREAS the Project is to be leased to Bigelow-Sanford, Inc., a Delaware corporation (herein referred to as "Bigelow-Sanford"), at a rental sufficient to pay the principal of and interest on the Bonds and the costs and expenses related to the issuance of the same; and

WHEREAS it is proposed that the Bonds will be secured by a pledge of the revenues to be derived from the leasing of the Project, and in addition by a pledge of the Lease of the Project and a first mortgage on the real property and improvements constituting the Project; and

WHEREAS the County has submitted with said petition, for review by the State Budget and Control Board, drafts of (i) a Lease dated as of April 1, 1971, between the County and Bigelow-Sanford, (ii) an Indenture of Mortgage and Deed of Trust, dated as of April 1, 1971, between the County and a banking corporation or association to be hereinafter designated as Trustee, (iii) a Construction Deposit Agreement dated as of April 1, 1971, among the County, Bigelow-Sanford and the Trustee bank as Depositary, and (iv) a certified copy of a resolution adopted by the Greenville County Council of the County on May 18, 1971, and this Board has reviewed and considered each of said documents in its consideration of said petition by the County;

NOW, THEREFORE, BE IT RESOLVED by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. That this Board has made an independent investigation of the matters set forth in the petition of the County Council referred to in the preamble hereto, and on the basis of such investigation it is hereby found, determined and declared:

(a) That the facts set forth in said petition, and in the preamble hereto, are in all respects true and correct;

(b) That the petition filed by the County Council contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 14 of the Act; and

(c) That the Project referred to in the petition of the County Council and in the preamble hereto is intended to promote the purposes of the Act and is reasonably anticipated to effect such result.

Section 2. That in consequence of the foregoing, the proposal of the County to acquire and construct the Project, to lease the Project to Bigelow-Sanford and to finance the cost thereof and expenses incidental thereto by the issuance of Bonds secured by a pledge of the revenues to be derived from the leasing of the Project, and in addition by a pledge of the Lease of the Project and a first mortgage on the real property and improvements constituting the Project, be and the same is hereby in all respects approved.

Section 3. That the Secretary of the State Budget and Control Board is hereby directed to publish one time in THE GREENVILLE NEWS, a newspaper having general circulation in Greenville County, the following notice of approval by this Board:

NOTICE PURSUANT TO ACT NO. 103 OF THE ACTS AND JOINT
RESOLUTIONS OF THE GENERAL ASSEMBLY OF THE STATE OF
SOUTH CAROLINA, 1967

Notice is hereby given pursuant to the provisions and requirements of Section 14 of Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967, that the State Budget and Control Board of South

Carolina, pursuant to petition duly filed by the Greenville County Council of Greenville County, has given its approval to the following undertaking by Greenville County, South Carolina:

The issuance by Greenville County of \$2,700,000 aggregate principal amount of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) to finance the acquisition of certain real property and the construction thereon of a computer and research center and related office facilities (the "Project"), to be located within the County. The Project will be leased to Bigelow-Sanford, Inc. ("Bigelow-Sanford"), which will unconditionally covenant to pay rentals sufficient to pay the principal of, premium, if any, and interest on the Bonds. The Bonds will be payable solely and exclusively out of revenues to be derived from the leasing of the Project to Bigelow-Sanford, and are to be additionally secured by a pledge of the Lease of the Project and a first mortgage on the Project property.

In addition, Bigelow-Sanford has agreed to pay, as additional rentals, to Greenville County, the school district or school districts, and all other political units wherein the Project is located, in lieu of taxes, such amounts as would result from taxes levied on the Project by Greenville County, said school district or school districts and other political units wherein the Project is located, if the Project were owned by Bigelow-Sanford, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to Bigelow-Sanford if it were the owner of the Project.

Notice is further given that any interested party may at any time within twenty (20) days after the date of the publication of this notice, challenge the validity of the State Budget and Control Board's approval of the Project and the issuance of the Bonds by Greenville County to finance the

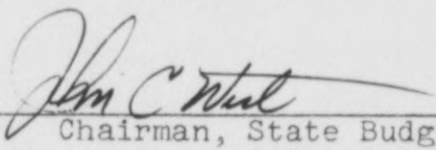
same, by action de novo instituted in the Court of Common Pleas for Greenville County, South Carolina.

STATE BUDGET AND CONTROL BOARD

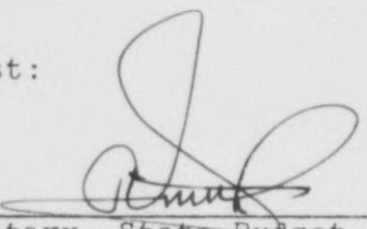
By P. C. SMITH
Secretary

Section 4. That all orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved May 21, 1971.

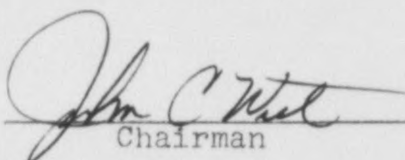

Chairman, State Budget and Control Board

Attest:

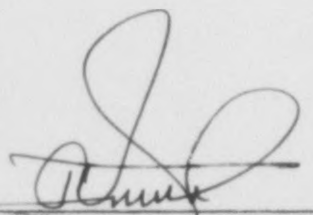

Secretary, State Budget and Control Board

(Other business not pertinent to the above appears in the minutes of the Meeting.)

Pursuant to motion duly made and carried, the meeting was adjourned.


Chairman

Attest:


Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

I, P.C. Smith, do hereby certify that I am the duly qualified and acting Auditor of the State of South Carolina and Secretary to the State Budget and Control Board. I further certify, according to the records of said board in my official possession, as follows:

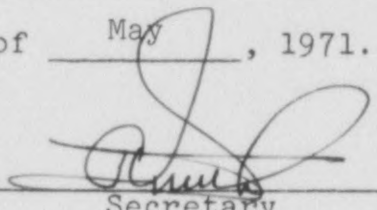
1. That the above and foregoing constitutes a true and correct copy of excerpts from the minutes of a meeting of the State Budget and Control Board held on May 21, 1971 and of a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

2. That attached hereto is a true and correct copy of a petition filed with the State Budget and Control Board by the Greenville County Council of Greenville County, South Carolina, which petition is the same petition referred to in the foregoing resolution of the State Budget and Control Board.

3. That the names of the members of the State Budget and Control Board, in office on the date of adoption of the foregoing resolution and on the date hereof, are as follows:

<u>Name</u>	<u>Office</u>
<u>John C. West</u>	Governor of the State of South Carolina and Chairman of the Board
<u>Grady L. Patterson, Jr.</u>	State Treasurer and Member of the Board
<u>John Henry Mills</u>	Comptroller General of South Carolina and Member of the Board
<u>Edgar A. Brown</u>	Chairman of the Senate Finance Committee and Member of the Board
<u>Robert J. Aycock</u>	Chairman of the House Ways and Means Committee and Member of the Board

IN WITNESS WHEREOF, I have hereunto subscribed my
official signature this 21st day of May, 1971.



Secretary
P.C. Smith

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

TO THE STATE BUDGET AND CONTROL)
 BOARD OF SOUTH CAROLINA) PETITION

I

Statement of Facts

1. Jurisdiction of State Budget and Control Board.

Greenville County, South Carolina (the "County"), acting by and through its Greenville County Council (the "County Council"), respectfully submits this petition to the State Budget and Control Board (the "State Board") under and pursuant to the provisions and requirements of Act No. 103 of the Acts and Joint Resolutions of South Carolina, 1967 (the "Act") and in particular Section 14 thereof, and respectfully requests the approval by the State Board of the issuance by the County of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.), in the aggregate principal amount of \$2,700,000 (the "Series A Bonds").

The pertinent documents which are or will become the governing instruments of this transaction are submitted herewith as the following exhibits:

- EXHIBIT 1 - Proposed form of Lease dated as of April 1, 1971 between the County and Bigelow-Sanford, Inc. (the "Lease").
- EXHIBIT 2 - Proposed form of Indenture of Mortgage and Deed of Trust dated as of April 1, 1971 (the "Indenture") between the County and a banking corporation or association as Trustee (the "Trustee").
- EXHIBIT 3 - Proposed form of Construction Deposit Agreement dated as of April 1, 1971 (the "Construction Deposit Agreement") among the County, Bigelow-Sanford, Inc., and the Trustee bank as Depositary.

The Lease, the Indenture and the Construction Deposit Agreement are submitted in draft form. It is expected that the

transaction as finally consummated will conform in all substantive respects with the enclosed drafts; however, it may be anticipated that formal changes will occur in subsequent drafts as is usual in cases of this sort, matters of maturities, interest rates, redemption premiums and the like will depend upon marketing factors will not be finally determined until shortly before the Series A Bonds are delivered.

2. The County and its Governing Body. The County, one of the forty-six counties of the State of South Carolina, is a body politic and corporate and a political subdivision of the State of South Carolina. Pursuant to Article 2.1 Chapter 39 Title 14 of the Code of Laws of South Carolina, 1962, the County Council is the governing body of the County and, as such, is the "County Board" referred to and defined in Section 2(2) of the Act.

3. Statutory Authority. The County, subject to the approval of the State Board and to compliance in all other respects with the terms and provisions of the Act, is authorized and empowered by the Act to acquire, own, lease, dispose and mortgage industrial development "projects" and to issue revenue bonds to finance the cost of acquisition or construction of such projects and expenses incidental thereto.

4. The Proposed Lessee. Bigelow-Sanford, Inc. a Delaware corporation with its principal office now located in the City of New York, New York, and duly authorized to conduct business in the State of South Carolina (herein referred to as "Bigelow-Sanford") has indicated its desire to locate a substantial industry, consisting of land and a computer and research center and related office facilities to be constructed thereon (collectively referred to as the "Project") within the

County provided that the Project and expenses incidental thereto may be financed by the issuance by the County of its revenue bonds under and pursuant to the Act.

5. The Preliminary Agreement. Bigelow-Sanford and the County have agreed, subject to the conditions set forth herein, that the County will issue its revenue bonds pursuant to the Act to finance the Project, and that Bigelow-Sanford will lease the Project from the County at rentals sufficient to pay principal of and interest on such bonds.

6. Findings of the County Council. By resolution duly adopted on May 18, 1971, a certified copy of which is submitted herewith as Exhibit 4, the County Council has formally found, determined and declared:

(a) That the Project will constitute a "project" as said term is referred to and defined in Section 2(3) of the Act, and that the issuance of the Series A Bonds to finance the acquisition and construction of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) That neither the Project nor the Series A Bonds will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;

(c) That the issuance of Series A Bonds in the aggregate principal amount of \$2,700,000 will be required to finance the Project;

(d) That the amount necessary in each year to pay the principal of and interest on the Series A Bonds is presently estimated at approximately \$260,000.00, said amount to be fixed shortly prior to the issuance of the Series A Bonds when the maturities and interest rate or rates shall have been finally

determined in accordance with marketing conditions prevailing at that time, and to be set forth in the proceedings of the County Council authorizing the issuance of the Series A Bonds;

(e) That inasmuch as Bigelow-Sanford is a corporation with established credit, the establishment of reserve funds in connection with the retirement of the Series A Bonds is deemed unnecessary by the County Council; and

(f) That the Project will be leased by the County to Bigelow-Sanford upon terms which will (i) require Bigelow-Sanford, at its own expense, to maintain the Project in good repair and to carry all proper insurance with respect thereto, and (ii) require Bigelow-Sanford to make the payments in lieu of taxes referred to in Section 6 of the Act.

II

Additional Information Furnished Pursuant to Section 14 of the Act

1. Brief Description of the Project. The Project will consist of land and a computer and research center and related office facilities to be constructed thereon, and will be located within the County. The Project will be utilized by Bigelow-Sanford in conjunction with its manufacturing operations.

2. Anticipated Effect of the Project upon Economy of the County and Adjacent Areas. In addition to the employment provided for those engaged in the construction of the Project, and the stimulation and promotion of existing local industries, including supply and transportation, it is anticipated that after the Project shall have been completed and the facilities have been placed in operation, the Project will provide permanent employment for substantial numbers of people from the County and elsewhere in said area with a resulting alleviation of unemployment, and a substantial increase in payrolls and

other public benefits flowing from the conducting of industrial operations.

3. Reasonable Estimate of Cost of Project. A reasonable estimate of the cost of the Project is \$2,700,000.

4. General Summary of the Terms and Conditions of the Proposed Lease and Indenture (Exhibits 1 and 2).

(Section references are to the Lease or the Indenture, identified by the prefix letters "L" or "I" respectively.)

The County will acquire certain land within the County and Bigelow-Sanford, as permitted by Section 8 of the Act, will construct and equip thereon the computer and research center and related office facilities and improvements. The County will lease the Project to Bigelow-Sanford for an original term of 20 years commencing on the first day of April, 1971, and up to four renewal terms of five years each. (L. Sections 3.01 and 3.02).

To pay for the Project, the County will issue \$2,700,000 of its Series A Bonds to be secured by a pledge of the revenues from the Project, and in addition by a pledge of the Lease of the Project and a first mortgage on the Project property. The Trustee under the Indenture will be a bank or trust company. Each Series A Bond is required to be executed on behalf of the County by the Chairman of the County Council and attested by the Secretary of the County Council, and to have affixed the corporate seal of the County Council. While the County covenants to pay the Series A Bonds, it is recited that principal and interest are payable solely and exclusively out of the revenues and receipts derived from the leasing of the Project and that the Series A Bonds and the interest coupons do not and shall never constitute an indebtedness of the County

or a charge against its general credit or taxing power. Additional parity bonds (L. Section 20.01; I. Section 3.03) may subsequently be issued to pay for additions and improvements to the Project (the Series A Bonds and any additional parity bonds that may subsequently be issued are hereinafter collectively referred to as the "Bonds").

The proceeds from the sale of the Series A Bonds will be deposited by the County with the Trustee, (L. Section 1.02; I. Section 3.02) and the Trustee shall (a) deposit into the Interest Account the accrued interest paid by the purchasers of the Series A Bonds, (b) deposit into an Expense Account a sum which will be sufficient to pay the costs and expenses of issuing the Series A Bonds, and (c) deposit the balance of the proceeds with the depository bank under the Construction Deposit Agreement for credit to a Construction Fund Account, to pay the costs of acquiring and constructing the Project. (I. Section 3.02 (c)). After the payment of all the costs and expenses in connection with the acquisition of the land and the construction of the Project, and upon completion of the Project, any amounts remaining in the Construction Fund Account will be transferred by the Depository to the Trustee to be credited to the Revenue Account to pay principal of and interest on the Series A Bonds. As is required by Section 6 of the Act, Bigelow-Sanford is obligated to complete the Project at its own expense if the moneys in the Construction Fund Account should prove insufficient for such purpose. (L. Section 1.01)

The Series A Bonds will mature serially on April 1 of each of the years 1972 to 1991, inclusive, with interest payable semiannually. Rentals to be paid by Bigelow-Sanford during the original term of the Lease will be sufficient to pay principal

of and interest on the Series A Bonds as the same fall due (L. Sched. B) and Bigelow-Sanford will pay in addition an amount in lieu of and equal to the local property taxes which would have been payable if Bigelow-Sanford were the owner of the Project property. (L. Section 6.02) Bigelow-Sanford is also required to pay the fees and expenses of the Trustee and any paying agents (L. Section 6.05) and all costs of maintenance and operation of the Project, including taxes, if any, other governmental charges (L. Section 6.01 and 6.02), utility charges (L. Section 6.04) and insurance (L. Art. IX).

The Basic Rent payable under the Lease will be paid directly to the Trustee (L. Sections 4.01; I. Sections 4.02 and 4.03) and will be deposited by the Trustee in the Revenue Account (I. Section 4.02) and transferred to the Interest Account and the Bond Retirement Account to pay the principal of and interest on the Series A Bonds when due. (I. Section 4.03) Although it is not anticipated that there will be any substantial sums available for investment (since the Basic Rent payments will correspond exactly in amount to the required payments of principal of and interest on the Series A Bonds), the Trustee is authorized, to the extent from time to time permitted by South Carolina law, and at the direction of Bigelow-Sanford, to invest funds in any of the accounts created under the Indenture in specified classes of conservative securities and the income, profit or losses therefrom are to be credited or charged to the Revenue Account. (I. Sections 4.05 and 5.01) Funds in the Construction Fund Account are to be similarly invested and any profit is to be credited to the Construction Fund Account.

A Bond Redemption Account is created under Section 5.01 of the Indenture. Moneys may be deposited in the Bond Redemption

Account from the prepayment of rent and from condemnation and casualty proceeds and the Trustee is to utilize such proceeds for the redemption of Bonds prior to maturity.

As stated above, Bigelow-Sanford is granted certain renewal options under the Lease. In addition, Bigelow-Sanford has the option to purchase the Project at any time on or after April 1, 1981 under Section 22.03 of the Lease for an amount equal to the entire principal amount of the then outstanding Bonds together with redemption premiums and all interest accrued and to accrue to the next succeeding redemption date of the Bonds plus the sum of \$100.00 as agreed upon by the County and Bigelow-Sanford.

Bigelow-Sanford will equip the Project with machinery and equipment out of its own resources. Such machinery and equipment will not constitute a part of the Project and will not be furnished out of the proceeds of the Series A Bonds.

Bigelow-Sanford is granted an option to purchase any unimproved part of the land included in the Project at a price of \$3,200.00 per acre if certain showings are furnished. (L Section 22.04)

In the event of destruction, major damage or condemnation, Bigelow-Sanford may at its option (i) repair or reconstruct the Project, if necessary, and continue to make rental payments (L. Sections 11.03 and 12.01), or (ii) purchase the Project and/or terminate the Lease after making adequate provision for the retirement of any outstanding Bonds (in the event of condemnation of all or a material part of the Project, Bigelow-Sanford is obligated so to purchase). (L. Section 11.02) Bigelow-Sanford may also be required to purchase the Project if there is a change in the law or any interpretation thereof which would

render the Lease void or unenforceable or impossible of performance in accordance with the intent of the parties or in the event it shall hereafter be determined that the interest on the Bonds is not excludable from the gross income of the recipient thereof under and pursuant to the provisions of the Internal Revenue Code of 1954, as amended. (L. Section 22.01) If any of the above mentioned obligations or options to purchase is exercised at a time when any Bonds are outstanding, the sum to be paid shall be an amount which, when added to moneys held by the Trustee, will be sufficient to retire all of the outstanding Bonds in accordance with the Indenture, including accrued interest to the date of retirement and any applicable redemption premiums and redemption expenses. (L. Sections 22.01 and 22.03)

5. Payments in Lieu of Taxes By Lessee. As is required by Section 6 of the Act, Section 6.02 of the proposed Lease requires Bigelow-Sanford to make payments to the County and to the school district or school districts and other political units wherein the Project is located, in lieu of taxes, in such amounts as would result from taxes levied if Bigelow-Sanford were the owner of the Project, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded Bigelow-Sanford if it were the owner of the Project.

III

Request for Approval

WHEREFORE, the County Council respectfully prays:

1. That the State Board accept the filing of this petition;
2. That thereafter, as soon as may be practicable, the State Board make such independent investigation as it deems advisable;

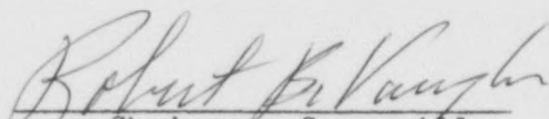
3. That, on the basis of such investigation and the information submitted herewith, the State Board make a finding that the Project is intended to promote the purposes of the Act and is reasonably anticipated to effect such result, and that the State Board, on the basis of such finding, issue its order approving the Project and the issuance of the Series A Bonds; and

4. That the State Board cause notice of its approval to be published in the manner specified in Section 14 of the Act.

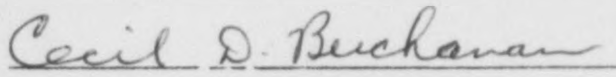
Respectfully submitted,

GREENVILLE COUNTY COUNCIL

By


Chairman, Greenville
County Council

Attest:


Secretary, Greenville
County Council

(SEAL)

GREENVILLE COUNTY, SOUTH CAROLINA

TO

BIGELOW-SANFORD, INC.

LEASE

DATED AS OF APRIL 1, 1971

I N D E X

<u>ARTICLE I</u>	<u>Concurrent Agreements; Modifications</u>
1.01.	Execution
1.02.	Performance
1.03.	Modifications
<u>ARTICLE II</u>	<u>Use of Leased Premises and Compliance with Laws</u>
2.01.	Primary Use
2.02.	Compliance with Laws
2.03.	Permitted Contests
<u>ARTICLE III</u>	<u>Term</u>
3.01.	Original Term
3.02.	Renewal Option
<u>ARTICLE IV</u>	<u>Rent</u>
4.01.	Basic Rent
4.02.	Advance Payment of Rent
4.03.	Additional Rent
4.04.	Net Lease
<u>ARTICLE V</u>	<u>Rent Absolute; State of Title</u>
5.01.	No Termination or Abatement for Damage or Destruction, Etc.
5.02.	No Termination for Insolvency, Etc. of Lessor
5.03.	Waiver of Rights by Lessee
5.04.	Condition and Title of Leased Premises
5.05.	No Conveyance of Title by Lessor
<u>ARTICLE VI</u>	<u>Taxes and Other Charges</u>
6.01.	Payment by Lessee - General
6.02.	Tax Equivalent, Taxes and Other Governmental Charges
6.03.	Lessee Subrogated to the Lessor's Rights
6.04.	Utility Services
6.05.	Fees and Expenses of Trustee and Lessor

<u>ARTICLE VI</u>	<u>Taxes and Other Charges (continued)</u>
6.06.	Lessee to Furnish Proof of Payment of Taxes, Etc.
6.07.	Proration
<u>ARTICLE VII</u>	<u>Liens</u>
7.01.	Permitted Liens
<u>ARTICLE VIII</u>	<u>Indemnification and Non-Liability of Lessor</u>
8.01.	General
8.02.	Costs of Repossession
<u>ARTICLE IX</u>	<u>Insurance</u>
9.01.	Insurers
9.02.	Fire and Extended Coverage
9.03.	Public Liability
9.04.	Loss Payable
9.05.	Evidence of Existence; Modification of Policies
9.06.	Adjustment of Claims
<u>ARTICLE X</u>	<u>Maintenance and Repair</u>
10.01.	Maintenance of Facilities
10.02.	Lessor Not Required to Repair
<u>ARTICLE XI</u>	<u>Condemnation</u>
11.01.	Awards Assigned to Trustee
11.02.	Condemnation of All or Material Part of Leased Premises
11.03.	Condemnation of Less than Material Part of Leased Premises
<u>ARTICLE XII</u>	<u>Casualty</u>
12.01.	Lessee to Rebuild or Repair
12.02.	Major Casualty; Lessee May Terminate Lease
12.03.	Damage or Destruction When No Bond Indebtedness is Outstanding

ARTICLE XIII	<u>Additions, Alterations, Improvements, Replacements and New Construction</u>
13.01.	Additions, Alterations and Improvements by Lessee
13.02.	Installation and Removal of Machinery and Fixtures by Lessee
13.03.	Additions and Alterations Not To Diminish Value of Leased Premises
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LEASE

This Lease made and entered into as of this 1st day of April, 1971, by and between Greenville County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter called "Lessor"), and Bigelow-Sanford, Inc., a corporation organized and existing under the laws of the State of Delaware, with its principal office in New York, New York, duly authorized to conduct business in the State of South Carolina (hereinafter called "Lessee"),

WITNESSETH:

WHEREAS:

A. The Lessor is a political subdivision of the State of South Carolina and is authorized under Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967 approved by the Governor of South Carolina on March 21, 1967, and appearing as Article 2.1, Chapter 8, Title 14, Code of Laws of South Carolina, 1962, 1969 Cumulative Supplement, (hereinafter called the "Act") to acquire, own, lease and dispose of properties, through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate in and remain in the State of South Carolina, and thus utilize and employ the manpower, agricultural products and natural resources of the State.

B. To so induce Lessee to locate a computer and research center and related office facilities in the State of South Carolina, Lessor has acquired certain real property in the County of Greenville, South Carolina, will make certain funds available to pay for the costs incurred in constructing a computer and research center and related office facilities thereon and will lease the real property, computer and research center and other facilities and improvements to the Lessee on the terms and conditions hereof.

C. Pursuant to the Act and in order to obtain funds for such purposes, Lessor will issue and sell Two Million Seven Hundred Thousand Dollars (\$2,700,000) principal amount of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) dated as of April 1, 1971 (herein sometimes referred to as the "Series A Bonds"), to be secured by and to contain such terms and provisions as are set forth in that certain Indenture of Mortgage and Deed of Trust (the "Indenture") dated as of April 1, 1971 between Lessor and The South Carolina National Bank of Charleston as Trustee (the "Trustee"). The proceeds from the sale of the Series A Bonds shall be deposited with the Trustee and disbursed (i) for the payment of construction costs incurred by Lessor or Lessee in connection with the acquisition of the real property, the construction of the computer and research center and other facilities and improvements, and (ii) for such other purposes as are set forth in the Indenture, all as more fully provided therein.

NOW THEREFORE, THIS LEASE FURTHER WITNESSETH:

Lessor, for and in consideration of the payments hereinafter stipulated to be made by Lessee, and the covenants

and agreements hereinafter contained to be kept and performed by Lessee, does by these presents demise, lease and let unto Lessee, for the term and upon the conditions hereinafter stated, the premises described in Schedule A attached hereto, together with the computer and research center and other buildings, facilities and improvements to be constructed thereon and appurtenances thereto (said computer and research center and other facilities and improvements and appurtenances thereto being hereinafter called the "Facilities" and the Facilities and said premises being hereinafter collectively called the "Leased Premises");

UNDER AND SUBJECT, however, to deed restrictions, covenants, easements, reservations and rights of way, if any, any state of facts an accurate survey might show, zoning regulations and ordinances, building restrictions and governmental regulations now in effect or hereafter adopted by any governmental authority having jurisdiction, and to which the Leased Premises may be subject;

AND UNDER AND SUBJECT to the following terms and conditions; provided, however, that in the performance of the covenants and agreements of the Lessor herein contained, any obligation the Lessor may thereby incur for the payment of money shall be payable solely out of the proceeds derived from this Lease or the sale of the Series A Bonds, and shall not constitute nor give rise to a pecuniary liability of the Lessor or a charge against its general credit or taxing power as provided in the Act.

ARTICLE I

Concurrent Agreements; Modifications

Section 1.01. Execution. Concurrently herewith Lessor will execute with The South Carolina National Bank of Charleston as Trustee for the holders of the Bonds to be issued by Lessor thereunder, an Indenture of Mortgage and Deed of Trust dated as of April 1, 1971. Lessor and Lessee will execute with the same bank, as depositary, a Construction Deposit Agreement (hereinafter referred to as the "Construction Deposit Agreement") providing for the payment for acquisition, construction and installation of the premises and Facilities forming the Leased Premises. Lessee covenants and agrees to effect the completion of the Facilities, if the proceeds of the sale of the Bonds prove to be insufficient.

Section 1.02. Performance. Promptly upon the execution of the foregoing, Lessor will proceed in good faith to issue and sell Two Million Seven Hundred Thousand Dollars (\$2,700,000) principal amount, of the Series A Bonds described in the Indenture, and will cause the proceeds thereof to be deposited, held and used in accordance with the provisions of the Indenture.

Section 1.03. Modifications. Lessor will not, without the prior written consent of Lessee:

- (a) Enter into any amendment or supplement to the Indenture; or

- (b) Issue pursuant to the Indenture any Bonds other than the Series A Bonds and Improvement Bonds the issuance of which has been requested by Lessee pursuant to Section 20.01; or
- (c) Directly or indirectly create or consent to the creation or existence of any lien or encumbrance (other than the lien of the Indenture) upon the Leased Premises or Lessor's interest therein.

ARTICLE II

Use of Leased Premises and Compliance with Laws

Section 2.01. Primary Use. Lessee is granted and shall have the right during the term of this Lease to occupy and use the Leased Premises for any lawful purpose. Insofar as it is practicable under existing conditions from time to time during the term of this Lease, the Leased Premises shall be used primarily for industrial, commercial or related purposes. The Lessor agrees that it will use all reasonable efforts to insure that such uses are and will continue to be lawful uses under all applicable zoning laws and regulations.

Section 2.02. Compliance with Laws. Lessee will throughout the term of this Lease and, at no expense to Lessor promptly comply or cause compliance with all laws ordinances, orders, rules, regulations and requirements of duly constituted public authorities, which may be obligatory upon the Lessee or the Lessor and applicable to the Leased Premises, the repair and alteration thereof (including, without limitation, the Facilities and the streets, sidewalks and passageways adjoining the Leased Premises) and the use or manner of use of the Leased Premises, whether or not such laws, ordinances, orders, rules, regulations and requirements are foreseen or unforeseen, ordinary or extraordinary, and whether or not they shall involve any change of governmental policy or shall require structural or extraordinary repairs, alterations or additions, irrespective of the cost thereof, provided, however, that if no Bond Indebtedness (as defined in Section 21.01) of Lessor is outstanding, Lessee, in lieu of compliance with such laws, orders, rules, regulations and requirements, or the making of such additions, changes or alterations, may elect to terminate this Lease or to purchase the Leased Premises, and in either such event, shall have no further liability hereunder. With regard to Lessor, Lessee accepts the Leased Premises in their condition on the date of the commencement of the term of this Lease, and assumes all risks, if any, resulting from any present or future, latent or patent defects therein or from the failure of the Leased Premises to comply with all legal requirements applicable thereto, reserving however, any and all rights of Lessee with respect to parties other than the Lessor.

Section 2.03. Permitted Contests. Lessee shall not be required to comply or cause compliance with such laws, ordinances, orders, rules, regulations or requirements, so long as Lessee shall, after prior written notice to Lessor, at Lessee's expense, contest the same or the validity thereof in good faith, by appropriate proceedings. Such contest may

be made by Lessee in the name of Lessor or of Lessee, or both, as Lessee shall determine, and Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request. It is understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any such proceedings brought by Lessee, and Lessee covenants to pay, and to indemnify and save Lessor from, any such costs or expenses.

ARTICLE III

Term

Section 3.01. Original Term. Subject to the terms and provisions herein contained, this Lease shall be and remain in full force and effect for a term of twenty (20) years, commencing on April 1, 1971 and ending at midnight on March 31, 1991 (hereinafter called the "Original Term").

Section 3.02. Renewal Option. Upon the expiration of the Original Term, this Lease shall be automatically renewed or extended for not exceeding four additional terms of five years each unless and until notice be given in writing by the Lessee at least 30 days before the end of the Original Term of this Lease, or any additional term thereof, of its intention to terminate the Lease at the end of such term, in which event the Lease shall terminate in accordance with such notice. All such renewal terms shall be upon the terms and conditions herein specified with respect to the Original Term or as otherwise agreed upon by the Lessor and the Lessee except that the rental during any such additional term shall be as provided in Section 4.01 (b) hereof.

The Original Term and the additional term or additional terms, if any, are herein sometimes referred to as the "Term".

ARTICLE IV

Rent

Section 4.01. Basic Rent. Lessee will pay to Lessor without notice or demand, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the main office of The South Carolina National Bank of Charleston, Attention: Corporate Trust Department, the following net basic rental (hereinafter called the "Basic Rent"):

- (a) during the Original Term, for the periods, in the amounts, and at the times set forth in Schedule B, which amounts based on the determinations heretofore made by Lessor, will be sufficient to pay the principal of and interest on the Series A Bonds; and

- (b) during any renewal term, semi-annually on April 1 and October 1 in each year and in the amount of \$100.00 on each such rental payment date;

provided that so long as any Bond Indebtedness is outstanding under the Indenture, all such payments shall be made to the Trustee under the Indenture for the account of Lessor. The Basic Rent shall be absolutely net to Lessor, free of any taxes, costs, expenses, liabilities, charges or other deduction whatsoever with respect to the Leased Premises and the possession, operation, maintenance, repair, rebuilding, use or occupation thereof, or of any portion thereof, so that this Lease shall yield the Basic Rent net to or for the account of Lessor throughout the Original Term.

Section 4.02. Advance Payment of Rent. Lessee may at any time on or after April 1, 1981, at its option, pay in advance any installment or installments of Basic Rent to become due hereunder. The entire amount of any such advance payments shall be applied by Lessor and the Trustee under the Indenture on the next succeeding redemption date or dates at which Bond Indebtedness may be redeemed by the Lessor, to redeem outstanding Bond Indebtedness at the principal amount thereof, plus accrued interest to the date or dates of redemption and the premium or premiums applicable in the case of the redemption of Bond Indebtedness at the option of the Lessor. If Bond Indebtedness is redeemed in part, the Basic Rent to be paid by Lessee over the remainder of the Original Term shall be appropriately reduced as provided in Schedule B. Upon retirement of all such Bond Indebtedness both as to principal and interest, the Lessee shall have no further obligation to pay Basic Rent during the remaining portion of the Original Term hereof. When all of the Bond Indebtedness shall have been paid in full, any money remaining in the various accounts created by the Indenture shall be paid to Lessee.

Section 4.03. Additional Rent. Lessee will pay, as additional rent, all other amounts, liabilities and obligations which Lessee herein assumes or agrees to pay, except that the liquidated damages referred to in Section 19.02 and 19.03 shall not constitute additional rent. In the event of any failure on the part of Lessee to pay any such amounts, liabilities or obligations, Lessor shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case of non-payment of the Basic Rent. Lessee will also pay Lessor, on demand, as additional rent, interest at the rate of 8% per annum, or at the highest rate permitted by law if less than 8% per annum, on all overdue installments of the Basic Rent from the due date thereof until payment.

Section 4.04. Net Lease. This Lease is a net Lease and so long as any part of the Bond Indebtedness is outstanding and unpaid the Basic Rent, additional rent and all other sums payable hereunder to or for the account of Lessor whether as All Unpaid Installments of Rent or otherwise shall be paid, without notice or demand and without set-off, counterclaim, abatement, suspension, deduction, diminution or defense.

ARTICLE V

Rent Absolute, State of Title

Section 5.01. No Termination or Abatement for Damage or Destruction, Etc. Except as otherwise expressly provided herein and so long as any part of the Bond Indebtedness is outstanding, this Lease shall not terminate, nor shall Lessee have any right to terminate this Lease or be entitled to the abatement of any rent or any reduction thereof, nor shall the obligations hereunder of Lessee be otherwise affected, by reason of any damage to or the destruction of all or any part of the Leased Premises from whatever cause, the loss or theft of the Facilities or any part thereof, the taking of the Leased Premises or any portion thereof by condemnation or otherwise, the prohibition, limitation or restriction of Lessee's use of the Leased Premises, or the interference with such use by any private person or corporation, or by reason of any eviction by paramount title or otherwise, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the Basic Rent and additional rent reserved hereunder shall continue to be payable in all events and the obligations of Lessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall be terminated pursuant to an express provision of this Lease.

Lessee acknowledges that Lessor has made no representations as to the condition or manner of construction of the Facilities. This Lease shall not terminate, nor shall Lessee have any right to terminate this Lease, or be entitled to the abatement of any rent or any reduction thereof, nor shall the obligations hereunder of Lessee be otherwise affected by reason of or due to the condition of the Leased Premises, including the Facilities either before, during or after construction or by reason of or due to any failure to complete the construction of the Facilities.

The obligations of the Lessee to make the payments required in Article IV and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional. Until such time as the principal of and interest on the Bond Indebtedness shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, the Lessee (i) will not suspend or discontinue any payments provided for in Article IV, (ii) will perform and observe all of its other agreements contained in this Lease and (iii) except as provided in Article XXII will not terminate this Lease for any cause including, without limiting the generality of the foregoing failure to complete the Facilities, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of South Carolina or any political subdivision of the State of South Carolina.

Section 5.02. No Termination for Insolvency, Etc. of Lessor. Except as provided in Article XXII hereof, Lessee covenants and agrees that it will remain obligated under this Lease in accordance with its terms and that Lessee will not

take any action to terminate, rescind, or avoid this Lease, notwithstanding the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution, winding up or other proceeding affecting Lessor or any assignee of Lessor in any such proceeding and notwithstanding any action with respect to this Lease which may be taken by any trustee or receiver of Lessor or any assignee of Lessor in any such proceeding, or by any court in any such proceeding. Lessor covenants and agrees that it will not voluntarily take any action to terminate, rescind or void this Lease and will not voluntarily submit to any bankruptcy, insolvency, reorganization, composition, readjustment, action for appointment of a receiver, liquidation, dissolution, winding up or other proceeding affecting it or any assignee under this Lease so long as Lessee is not in default hereunder.

Section 5.03. Waiver of Rights by Lessee. So long as any part of the Bond Indebtedness is outstanding Lessee waives, to the extent legally permissible, all rights now or hereafter conferred by law (i) to quit, terminate or surrender this Lease or the Leased Premises or any part thereof, or (ii) to any abatement, suspension, deferment or reduction of the Basic Rent or additional rent or any other sums payable under this Lease, except as otherwise expressly provided herein, regardless of whether such rights shall arise from any present or future constitution, statute or rule of law.

Section 5.04. Condition and Title of Leased Premises. Lessee acknowledges that it has examined the premises described in Schedule A attached hereto and the state of Lessor's title thereto prior to the making of this Lease and knows the condition and state thereof as of the first day of the Term of this Lease, and accepts the same in said condition and state; that no representations as to the condition or state thereof have been made by representatives of Lessor; and that Lessee in entering into this Lease is relying solely upon its own examination thereof. Lessor shall not be liable to Lessee for any damages resulting from failure or any defect in Lessor's title which interferes with, prevents or renders burdensome the use or occupancy of the Leased Premises or the compliance by the Lessee with any of the terms of this Lease, or from delay in obtaining possession of all or any part thereof, from any cause whatsoever, and no such failure of or defect in the Lessor's title or delay shall terminate this Lease or entitle Lessee to any abatement, in whole or in part, of any of the rentals or any other sums provided to be paid by Lessee pursuant to any of the terms of this Lease.

The Lessor makes no warranty, either express or implied, that the Leased Premises will be suitable for the Lessee's purposes or needs.

Section 5.05. No Conveyance of Title by Lessor. Lessor covenants and agrees that, during the Term of this Lease, it will not convey, or suffer or permit the conveyance of, by any voluntary act on its part, its title to the Leased Premises to any person, firm or corporation whatsoever irrespective of whether any such conveyance or attempted conveyance shall recite that it is expressly subject to the terms of this Lease, provided, however, that nothing herein shall restrict

the conveyance or transfer of the Leased Premises in accordance with any terms or requirements of this Lease or of the Indenture.

ARTICLE VI

Taxes and Other Charges

Section 6.01. Payment by Lessee - General. Lessee agrees, subject to Section 15.02, during the Term hereof, to pay and discharge, as additional rent, punctually as and when the same shall become due and payable, each and every cost, expense and obligation of every kind and nature, foreseen or unforeseen, for the payment of which Lessor or Lessee is or shall become liable by reason of its estate or interest in the Leased Premises or any portion thereof, by reason of any right or interest of Lessor or Lessee in or under this Lease, or by reason of or in any manner connected with or arising out of the possession, operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Leased Premises.

Section 6.02. Tax Equivalent, Taxes and Other Governmental Charges. (a) It is recognized that under the provisions of the Act when any project is leased by a county pursuant to the Act the lessee thereof shall be required to make payments to the county, the school district or school districts, and other political units wherein the project shall be located in lieu of taxes, in such amounts as would result from taxes levied on the project by such county, school district or school districts and other political unit or units, if the project were owned by the Lessee, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to the lessee if it were the owner of the project. For the sole purpose of enabling the Lessee to comply with the aforesaid obligation, it is agreed that the Lessor in cooperation with the Lessee (i) shall cause the Leased Premises to be valued as if privately owned as aforesaid for purposes of said taxes by the State Tax Commission of South Carolina or such other appropriate officer or officers as may from time to time be charged with responsibility for making such valuations; (ii) shall cause to be appropriately applied to the valuation or valuations so determined the respective rate or rates of such taxes, that would be applicable to the Leased Premises if so privately owned; (iii) shall cause the respective appropriate officer or officers charged with the duty of levying and collecting such taxes to submit to the Lessee, when the respective levies are made upon property privately owned as aforesaid, a statement specifying the amount and due date of such taxes which the county, school district and other political units having taxing powers would receive if the Leased Premises were so privately owned; and Lessee shall file any accounts or tax returns required with the appropriate officer or officers. The Lessee shall pay to the aforesaid taxing authorities when due all such payments in lieu of taxes with respect to the Leased Premises required by the Act to be paid to the aforesaid taxing authorities, subject in each case to the Lessee's right to obtain exemptions (and discounts), if any, therefrom which would be afforded to a private owner of the Leased Premises and to seek to obtain a refund of any such payments made, and to contest the same in the manner and to the extent provided in Section 15.02 in

the case of taxes and other governmental charges. The Lessee's obligation to make such additional payments shall continue only so long as and to the extent the Lessee is required by law to pay the aforesaid amounts in lieu of taxes. Once having paid the amounts required by this Section 6.02(a) to be paid by it in lieu of taxes, the Lessee shall not be required to pay any such taxes for which a payment in lieu thereof has been made to the State or to any city, county, town, school district or other political unit, any other statute to the contrary notwithstanding. (b) Lessee further agrees, subject to Section 15.02, during the Term hereof, to pay and discharge as additional rent, punctually as and when the same shall become due and payable without penalty, all real estate taxes, personal property and income taxes, business and occupational taxes, occupational license taxes, water charges, sewage charges, assessments (including, but not limited to, assessments for public improvements or benefits) and all other governmental taxes, impositions and charges of every kind and nature, extraordinary or ordinary, general or special, unforeseen or foreseen, whether similar or dissimilar to any of the foregoing, which at any time during the Term shall be or become due and payable by Lessor or Lessee and which shall be levied, assessed or imposed:

- (i) upon, or which shall be or become liens upon, the Leased Premises or any portion thereof or any interest of Lessor or Lessee therein or under this Lease or upon the rents payable hereunder;
- (ii) upon or with respect to the possession, operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Leased Premises or any portion thereof; or
- (iii) upon this transaction or any document to which Lessee is a party creating or transferring an interest or an estate in the Leased Premises;

under and by virtue of any present or future law, statute, ordinance, regulation or other requirement of any governmental authority, whether federal, state, county, city, municipal or otherwise; provided, however, that Lessee shall have no liability with respect to payment of any taxes, impositions or charges imposed upon Lessor's income for any period during which no Bond Indebtedness of Lessor is outstanding. It is the intention of the parties hereto that, insofar as the same may be lawfully done, Lessor shall be free from all costs, expenses and obligations and all such taxes, water charges, sewer charges, assessments and all such other governmental impositions and charges, and that this Lease shall yield net to Lessor not less than the Basic Rent reserved hereunder throughout the Original Term. In no event shall Lessee pay any costs, expenses, obligations, taxes or impositions incurred by the Lessor as a consequence of any Project (as defined in the Act) or any other activity other than the Leased Premises undertaken by the Lessor hereunder and under the Indenture. Lessor covenants and agrees that it will not engage in any activities or take any action which might result in the income of the Lessor becoming taxable to it.

Section 6.03. Lessee Subrogated to the Lessor's Rights.

To the extent of any payments (except the payments in lieu of taxes made by Lessee pursuant to Section 6 of the Act) of additional rent by Lessee under Section 6.01 or 6.02, Lessee shall be subrogated to the Lessor's rights in respect to the proceedings or matter which resulted in the payment of additional rent pursuant to Sections 6.01 and 6.02 and any recovery by the Lessor or release to the Lessor of moneys in such proceedings or matter shall be used to reimburse Lessee for the amount of such additional rent so paid by Lessee, provided always that the Basic Rent is paid in the manner and at the times herein set forth. In addition, after the Bonds shall have been paid and discharged, Lessee shall have the right to set off the amounts of any additional rent paid under this Article VI against any cash rentals thereafter accruing hereunder to the Lessor.

Section 6.04. Utility Services. Lessee agrees to pay or cause to be paid all charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services, used, rendered or supplied to, upon or in connection with the Leased Premises. Lessee agrees that Lessor is not, nor shall it be required to furnish to Lessee or any other occupant of the Leased Premises, any gas, water, sewer, electricity, light, heat, power or any other facilities, equipment, labor, materials or services of any kind.

Section 6.05. Fees and Expenses of Trustee and Lessor. Lessee agrees to pay as additional rent, or cause to be paid, all of the fees and expenses of the Trustee (as defined in Section 21.01) acting under the Indenture (as defined in Section 21.01) whether or not such fees or expenses are payable before the commencement of, during, or after the expiration of the term of this Lease. Lessee also agrees to pay as additional rent the reasonable expenses of the Lessor which are incurred with the prior written approval of the Lessee in connection with administering the Leased Premises.

Section 6.06. Lessee to Furnish Proof of Payment of Taxes, Etc. Lessee covenants to furnish to Lessor, promptly upon request, proof of the payment of any tax, assessment, and other governmental or similar charge, and any utility charge, which is payable by Lessee as provided in this Article.

Section 6.07. Proration. Upon expiration or earlier termination of this Lease (except for the termination hereof pursuant to the provisions of Article XVI) real estate taxes, assessments and other charges which shall be levied, assessed or become due upon the Leased Premises or any part thereof shall be prorated to the date of such expiration or earlier termination.

ARTICLE VII

Liens

Section 7.01. Permitted Liens. Subject to Sections 14.01 and 15.02, Lessee will not create or permit to be created or to remain, and will discharge, any lien, encumbrance or charge (other than a lien, encumbrance or charge created

by Lessor or accepted by Lessor at the time of acquiring title) upon the Leased Premises or any part thereof or upon Lessee's leasehold interest therein provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof shall not constitute a violation of this Section 7.01 if payment is not yet due and payable under the contract in question.

ARTICLE VIII

Indemnification and Non-Liability of Lessor

Section 8.01. General. Lessee covenants and agrees, at its expense, to pay, and to indemnify and save Lessor and the Trustee harmless, against and from, any and all claims by or on behalf of any person, firm, corporation, or governmental authority, arising from the occupation, use, possession, conduct or management of or from any work done in or about the Leased Premises or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, ordinances, or regulations affecting the Leased Premises or the occupancy or use thereof. Lessee also covenants and agrees, at its expense, to pay, and to indemnify and save Lessor and the Trustee harmless against and from any and all claims arising from (i) any condition of the Leased Premises and the adjoining sidewalks and passageways, (ii) any breach or default on the part of Lessee in the performance of any covenant or agreement to be performed by Lessee pursuant to this Lease, (iii) any act or negligence of Lessee, or any of its agents, contractors, servants, employees or licensees, or (iv) any accident, injury or damage whatever caused to any person, firm or corporation, in or about the Leased Premises or upon or under the sidewalks and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this Section. In the event that any action or proceeding is brought against Lessor or the Trustee by reason of any such claim, Lessee, upon notice from Lessor or the Trustee, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to Lessor or the Trustee.

Section 8.02. Costs of Repossession. Lessee covenants and agrees to pay, and to indemnify Lessor and the Trustee against, all costs and charges, including reasonable counsel fees, lawfully and reasonably incurred in obtaining possession of the Leased Premises after default of Lessee or upon expiration or earlier termination of the Term hereof, or in enforcing any covenant or agreement of Lessee contained in this Lease.

ARTICLE IX

Insurance

Section 9.01. Insurers. All insurance provided for in this Article shall be effected under valid and enforceable policies issued by insurers of recognized responsibility.

Section 9.02. Fire and Extended Coverage. Lessee shall, at its expense, keep the Facilities insured against loss or damage by fire, with extended coverage endorsement covering loss or damage, by lightning, windstorm, explosion, aircraft, smoke damage, vehicle damage, sprinkler leakage, vandalism, malicious mischief and such other risks as are normally covered under such endorsement in amounts that are not less than the full insurable value of the Facilities with deductible provisions not exceeding \$25,000. The term "full insurable value", as used in this Lease, means the actual replacement value or an amount equal to All Unpaid Installments of Rent whichever shall be less.

Section 9.03. Public Liability. Lessee shall, at its expense, maintain general public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Leased Premises, and the adjoining sidewalks and passageways, such insurance to afford protection to Lessor of not less than \$1,000,000 with respect to bodily injury or death to any one person, not less than \$1,000,000 with respect to any one accident, and not less than \$100,000 with respect to property damage. Policies for such insurance shall be for the mutual benefit of Lessor and Lessee.

Section 9.04. . Loss Payable. All policies of insurance required pursuant to this Article IX may be in the form of blanket policies of insurance. All policies of insurance required by Section 9.02 shall name Lessor and Lessee as the assured and shall provide that in the case of any particular casualty resulting in loss or damage not exceeding \$100,000 in the aggregate, the proceeds of such insurance shall be payable to Lessee. All such policies shall, to the extent obtainable, provide that any loss shall be payable notwithstanding any act or negligence of Lessee which might otherwise result in forfeiture of said insurance.

So long as the Bond Indebtedness of the Lessor remains outstanding, the policies of insurance described in Section 9.02 shall be payable to the Trustee under the Indenture, under a standard mortgage loss payable clause as the interest of such Trustee may appear, subject to the provisions in this Section 9.04 that the proceeds of such insurance shall be payable to Lessee in the case of any particular casualty resulting in loss or damage not exceeding \$100,000 in the aggregate. In the event no Bond Indebtedness of the Lessor remains outstanding, the policies of insurance described in Section 9.02 shall provide that the loss, if any, shall be payable to the Lessee.

Section 9.05. Evidence of Existence; Modification of Policies. Certificates from the insurers evidencing the existence of all policies required by this Article shall be filed with the Trustee. The policies of insurance required by this Article shall contain an undertaking by the respective insurers, to the extent obtainable, that such policies shall not be modified adversely to the interests of the Lessor or the Trustee or cancelled without at least 10 days prior written notice to Lessor and to the Trustee. Not less than 10 days prior to the expiration dates of the policies, originals of the renewal policies (or certificates therefor from the insurers evidencing the existence thereof) shall be deposited with the Trustee.

Section 9.06. Adjustment of Claims. Any claims under the policies of insurance described in this Article shall be adjusted by and at the expense of Lessee or its insurance carrier, provided, that the proceeds from such insurance shall be applied pursuant to the terms of this Lease.

ARTICLE X

Maintenance and Repair

Section 10.01. Maintenance of Facilities. Subject to the provisions of Section 12.02 hereof, Lessee at its expense, will keep and maintain the Facilities in good repair. Lessee shall promptly make, or cause to be made, all repairs, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, necessary to keep the Facilities in good and lawful order and condition, wear and tear from reasonable use excepted, whether or not such repairs are due to any laws, rules, regulations or ordinances hereafter enacted which involve a change of policy on the part of the government body enacting the same, provided, however, that if there shall be no Bond Indebtedness of Lessor outstanding, Lessee, in lieu of making any structural or extraordinary repairs required during the Term hereof, may elect to purchase the Leased Premises or to terminate this Lease, and in either such event Lessee shall have no further obligations hereunder.

Section 10.02. Lessor Not Required to Repair. Lessor shall not be required to rebuild or to make any repairs, replacements or renewals of any nature or description to the Leased Premises or to make any expenditure whatsoever in connection with this Lease or to maintain the Leased Premises in any way. Lessee expressly waives the right contained in any law now or hereafter in effect to make any repairs at the expense of Lessor.

ARTICLE XI

Condemnation

Section 11.01. Awards Assigned to Trustee. If, during the Term, all or any part of the Leased Premises be taken by the exercise of the power of eminent domain or condemnation, Lessor and Lessee shall, subject to all the terms of this Article, be entitled to, and shall receive, the entire award for the taking. So long as the Bond Indebtedness of the Lessor remains outstanding, Lessor and Lessee hereby irrevocably assign all their right, title and interest in and to such award or awards to the Trustee under the Indenture, or, in the event no Bond Indebtedness of the Lessor remains outstanding, to the Lessee, and Lessor and Lessee shall immediately pay the same to the Trustee, or the Lessee, as the case may be, for the benefit of the Trustee or the Lessee as the case may be, and any such award or awards shall be held and disbursed as provided herein. The phrase "all right, title and interest in and to any such award or awards" with respect to Lessee, shall mean for purposes of this Article XI, all or any portion of any amount or amounts awarded to Lessee which, together with any amount or amounts awarded to Lessor, may be equal to All Unpaid Installments of Rent.

Section 11.02. Condemnation of All or Material Part of Leased Premises. If title to, or the temporary use or control of, all or substantially all of the Leased Premises

shall be taken by the exercise of the power of eminent domain or condemnation, or if such use or control of all or any portion of the Leased Premises which is sufficient to render the remaining portion thereof, in Lessee's judgment, unsuitable for Lessee's business operations, shall be so taken Lessee shall purchase for cash the award or payment for such taking and the remaining portion of the Leased Premises not taken, if any, and such purchase shall be made after the effective date of such taking and within 90 days after the receipt of the award and payment for such taking. The purchase price for such award or payment for such taking and the remaining portion of the Leased Premises not taken, if any, shall be determined as set forth in Section 22.02. Lessee shall deliver to Lessor and the Trustee, in the event Bond Indebtedness of the Lessor is outstanding, at least 30 days before the proposed date of purchase a certificate, signed by an Authorized Representative of Lessee, to the effect that title to all or substantially all of the Leased Premises has been taken by the exercise of the power of eminent domain or condemnation, or that such use or control of all or any portion of the Leased Premises which is sufficient to render the remaining portion thereof, in Lessee's judgment, unsuitable for Lessee's business operations, has been so taken. On the proposed date of purchase and upon payment of the purchase price in cash, Lessor shall convey the remaining portion, if any, of the Leased Premises to Lessee, subject to and pursuant to Section 22.01 hereof, and the Trustee pursuant to Section 6.01 (B) of the Indenture, or the Lessor in the event no Bond Indebtedness of the Lessor is outstanding, shall assign and pay over the entire award for the taking to Lessee, less any reasonable expenses incurred by Lessor in collecting such award (hereinafter called the "Net Award").

Section 11.03. Condemnation of Less than Material Part of Leased Premises. If a lesser portion of the Leased Premises be taken by exercise of the power of eminent domain or condemnation, this Lease shall nevertheless continue in full force and effect without abatement of rent (except such rental reduction as is expressly provided pursuant to Schedule B hereof), and if such taking shall have caused damage to, or necessitated restoration or rebuilding of, any of the improvements on the Leased Premises, Lessee, at its sole cost and expense, shall promptly and diligently restore and rebuild such improvements to such condition as shall be reasonable in view of the nature of the taking and the then intended use of the Leased Premises by Lessee, whether or not the Net Award is sufficient for the purpose. So long as any Bond Indebtedness remains outstanding, upon compliance with the provisions of Section 6.01 (C) of the Indenture and the receipt by the Trustee of the certificates and instruments provided for in Section 6.01(C), the Trustee shall assign and pay over to Lessee such portion of the Net Award as will reimburse the Lessee for the cost of the restoration and rebuilding, if any, as is so certified up to the full amount of the Net Award, and if there shall remain any balance of such Net Award, the Trustee shall apply the balance, if any, of the Net Award to the redemption of Bond Indebtedness as provided in Section 6.01 (C) of the Indenture. In lieu of such rebuilding or restoring as herein provided, Lessee may direct that the entire amount of the Net Award be used by the Trustee to repay and redeem Bond Indebtedness as provided in Article V of the Inden-

ture. In the event no Bond Indebtedness of the Lessor is outstanding, the Lessee shall be entitled to receive the entire Net Award for such taking.

ARTICLE XII

Casualty

Section 12.01. Lessee to Rebuild or Repair. Subject to the provisions of Section 12.02 hereof, if, while any Bond Indebtedness is outstanding, all or any part of the Facilities shall be destroyed or damaged, Lessee shall promptly notify Lessor, and at Lessee's expense (whether or not the insurance proceeds hereinafter mentioned are sufficient for the purpose) Lessee shall promptly and diligently rebuild, restore, replace and repair the same in such manner as to restore the Facilities to at least the value thereof immediately prior to such damage or destruction. So long as the Bond Indebtedness shall be outstanding, upon compliance with the provisions of Section 6.01 (A) of the Indenture and the receipt by the Trustee of the certificates and instruments provided for in Section 6.01 (A), the Trustee under the Indenture, shall pay to Lessee the insurance proceeds received and held by said Trustee on account of such damage or destruction, as is so certified up to the full amount of such insurance proceeds and the Trustee shall apply the balance, if any, of such insurance proceeds to the redemption of Bond Indebtedness as provided in Section 6.01 (A) of the Indenture.

Section 12.02. Major Casualty; Lessee May Terminate Lease. If, during the Term, the entire Facilities, or any substantial part thereof shall be damaged or destroyed to such an extent as to render the Leased Premises unsuitable to Lessee for the purpose for which the same were used immediately prior to such damage or destruction and if Lessee deems it unwise to rebuild, repair and restore (to be determined in the sole judgment of Lessee), Lessee, in lieu of rebuilding, restoring, replacing and repairing the Facilities shall purchase the remainder of the Leased Premises. If, during the Term, the entire Leased Premises, or any substantial part thereof, shall be damaged or destroyed to such an extent that the restoration cost would exceed the proceeds of insurance, Lessee in lieu of rebuilding, restoring, replacing and repairing the Leased Premises shall have an option to purchase the remainder of the Leased Premises. Such purchase in either event, shall be made within 90 days after the date of such damage or destruction and the receipt of the insurance proceeds therefor and the purchase price therefor shall be determined as set forth in Section 22.02. Upon the purchase of the Leased Premises, Lessee shall be relieved of its obligation to rebuild, restore, replace and repair the Facilities as required pursuant to Section 12.01 hereof. Lessee shall deliver to Lessor at least 30 days before the proposed date of purchase a certificate, signed by an Authorized Representative of Lessee, stating the proposed date of purchase and certifying that the Board of Directors of Lessee has determined in good faith that the Leased Premises have been damaged or destroyed to such an extent as to render the Leased Premises unsuitable to Lessee for the purposes for which the same were used immediately

prior to such damage or destruction and that Lessee deems it unwise to rebuild, repair and restore or that the restoration cost would exceed the proceeds of insurance and delivery of the certificate shall constitute an exercise of the option by Lessee. On the proposed date of purchase and upon payment of the purchase price in cash, Lessor shall convey the Leased Premises to Lessee subject to and pursuant to Section 22.06 hereof and Lessee shall be entitled to all insurance proceeds resulting from such damage or destruction and the Trustee under the Indenture or the Lessor shall assign and pay over to Lessee all such insurance proceeds.

Section 12.03. Damage or Destruction When No Bond Indebtedness is Outstanding. Notwithstanding any other provision hereof, if all or any part of the Facilities shall be destroyed or damaged and at such time Lessor shall have no Bond Indebtedness outstanding, Lessee may elect to effect such repair or restoration from its own funds and upon written notice of such election to the Lessor any insurance proceeds payable on account of such damage or destruction shall be paid to Lessee, in which event this Lease shall continue in accordance with its terms, or Lessee may elect by written notice to Lessor to purchase the Leased Premises pursuant to Section 22.03 hereof, in which event Lessee shall have no further liability hereunder and any insurance proceeds payable on account of such damage or destruction shall be paid to Lessee.

ARTICLE XIII

Additions, Alterations, Improvements Replacements and New Construction

Section 13.01. Additions, Alterations and Improvements by Lessee. Lessee shall have the right to make additions to, alterations of, and improvements on the Leased Premises, structural or otherwise, and to construct or add additional Facilities, at its expense, subject, however, to the provisions of Article XX.

The Lessee shall have the privilege of erecting any additional building or buildings and of remodeling the Facilities from time to time as it in its discretion may determine to be desirable for its uses and purposes, provided that such remodeling shall not damage the basic structure of the then existing Facilities or materially decrease their value, with no obligation to restore or return the Facilities to their original condition, but the cost of such new building or buildings and improvements and remodeling shall be paid for by it and upon the expiration of termination of this Lease, shall belong to and be the property of the Lessor, subject, however, to the Lessee's right to purchase under Article XX hereof and to the right of the Lessee to remove from the Leased Premises at any time before the expiration or termination of this Lease and 30 days thereafter and while it is in good standing with reference to the payment of Basic Rent and its performance of other obligations hereunder, all improvements, machinery, fixtures, equipment and appliances placed in or upon the Leased Premises by the Lessee which can be removed without material damage to the existing building or structures or if they cannot be removed without such damage, then provided that Lessee repairs any damage caused by such removal.

In the event of the purchase by Lessee of any unimproved part of the Leased Premises pursuant to Section 22.04 hereof, the Lessee shall have the right to erect any additional building or buildings thereon which may utilize any wall or walls contained in the Facilities as party walls.

Section 13.02. Installation and Removal of Machinery and Fixtures by Lessee. The Lessee may at any time or times during the Term of this Lease, install or commence the installation of any machinery, equipment, fixtures or personal property to such extent as the Lessee may deem desirable, and the Lessee may also remove any machinery, equipment or fixtures so installed by it; provided, however, that such installation or removal shall not be permitted to interfere with the construction of the Facilities. All such machinery, equipment, fixtures and other personal property which shall be acquired and installed at the expense of Lessee, shall remain the property of the Lessee and may be removed at any time and from time to time by Lessee.

Section 13.03. Additions and Alterations Not to Diminish Value of Leased Premises. The Leased Premises as improved or altered upon completion of additions, alterations, improvements or construction made pursuant to the provisions of this Article XIII shall be of a value not less than the value of the Leased Premises immediately prior to the making of such additions, alterations, improvements or the construction of additional Facilities.

Section 13.04. Quality of Work. All work done in connection with such additions, alterations, improvements or construction shall be done promptly and in good and workmanlike manner.

ARTICLE XIV

Subletting, Assignment and Mortgaging

Section 14.01. Continuing Obligation of Lessee. Lessee may sublet the Leased Premises or any part thereof, and may assign or otherwise transfer all of its rights and interests hereunder; provided (a) that no assignment, transfer or sublease shall affect or reduce any of the obligations of Lessee hereunder, but all obligations of Lessee hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety, and (b) that Lessee shall give Lessor and the Trustee under the Indenture not less than 10 days prior written notice of any such proposed assignment, transfer or sublease. So long as any Bond Indebtedness of Lessor is outstanding neither this Lease nor the term hereby let and demised shall be mortgaged, nor shall Lessee mortgage, assign or pledge the interest of Lessee in and to any sub-lease or the rentals payable thereunder.

Section 14.02. Merger, Consolidation or Transfer of Assets by Lessee. The Lessee covenants and agrees that it will not merge or consolidate with any other corporation or transfer all or substantially all of its business and assets to another corporation which in any such case succeeds to all or substantially all of the business and assets of Lessee, unless such successor corporation expressly assumes in writing all covenants,

liabilities and obligations of Lessee hereunder. Lessee further covenants and agrees that during the Term of this Lease and so long as Lessor's Bond Indebtedness is outstanding, it will not be a party to any such merger, consolidation or transfer of its business and assets, if the corporation surviving or resulting from any such merger or consolidation or acquiring such business and assets would have, after giving effect to such merger, consolidation or acquisition of business and assets, a net worth, computed in accordance with generally accepted accounting principles less than the net worth of Lessee (computed as aforesaid) immediately prior to such merger, consolidation or transfer of business and assets.

Section 14.03. Collection of Rent from Others No Release of Lessee. If this Lease be assigned or transferred, or if the Leased Premises or any part thereof be sublet or occupied by anybody other than Lessee, the Lessor may, after default by Lessee, collect rent from the assignee, transferee, subtenant, or similar occupant, and apply the net amount collected to the Basic Rent and any other amounts reserved hereunder, but no such assignment, transfer, subletting, occupancy or collection shall be deemed the acceptance of the assignee, transferee, subtenant or similar occupant as tenant, or a waiver or release of Lessee from the performance of the terms, covenants and conditions of this Lease to be performed by Lessee. Any violation of any provision of this Lease, whether by act or omission, by an assignee, transferee, subtenant, or similar occupant, shall be deemed a violation of such provision by Lessee, it being the intention of the parties hereto that Lessee shall assume and be liable to the Lessor for all and any acts and omissions of any and all assignees, transferees, subtenants and similar occupants.

ARTICLE XV

Performance of Lessee's Obligations by Lessor; Permitted Contests

Section 15.01. Performance of Lessee's Obligations by Lessor. If Lessee at any time shall fail to make any payment or perform any act on its part to be made or performed under this Lease, then subject to the provisions of Section 15.02, Lessor may (but shall not be obligated to), upon 30 days prior written notice to Lessee and without waiving or releasing Lessee from any obligations or default of Lessee hereunder, make any such payment or perform any such act for the account and at the expense of Lessee, and may enter upon the Leased Premises for the purpose and take all such action thereon as may be reasonably necessary therefor. No such entry shall be deemed an eviction of Lessee. All sums so paid by Lessor and all necessary and incidental costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection with the performance of any such act by Lessor, together with interest at the rate of 8% per annum from the date of the making of such payment or the incurring of such costs and expenses by Lessor, shall be deemed additional rent hereunder and shall be payable by Lessee to Lessor on demand, and Lessee covenants to pay any such sum or sums with interest as aforesaid.

Section 15.02. Permitted Contests. Lessee shall not be required to pay, discharge or remove any tax equivalent, tax, lien or assessment, or any mechanic's, laborer's or material-man's lien, or any other lien or encumbrance, or any other imposition or charge against the Leased Premises or any part thereof, so long as Lessee shall, after prior written notice to Lessor, at Lessee's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the collection of the tax equivalent, tax, lien, assessment, encumbrance, imposition or charge so contested and the sale of said Leased Premises or any part thereof to satisfy the same. Such contest may be made by Lessee in the name of Lessor or of Lessee or both, as Lessee shall determine, the Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request. It is understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any such proceeding brought by Lessee, and Lessee covenants to pay, and indemnify and save harmless Lessor from, any such costs or expenses. Pending any such proceeding Lessor shall not have the right to pay, remove or cause to be discharged the tax equivalent, tax, lien, assessment, encumbrance, imposition or charge, thereby being contested provided, that Lessee shall have given such security as may be required in the proceeding and such reasonable security as may be demanded by Lessor to insure such payment and prevent any sale or forfeiture of the Leased Premises or any part thereof by reason of such nonpayment, and provided further that Lessor would not be in substantial danger of civil or any danger of criminal liability by reason of such nonpayment.

ARTICLE XVI

Events of Default; Termination

Section 16.01. If any one or more of the following events (herein called "Events of Default") shall happen:

- (a) if default shall be made in the due and punctual payment of any Basic Rent, additional rent or other amount payable to Lessor hereunder, for more than ten (10) days after written notice that the same has become due and payable;
- (b) if Lessee shall assign, mortgage or encumber this Lease, or sublet the whole or any part of the Leased Premises, otherwise than as expressly permitted hereunder, or if this Lease or the estate of Lessee hereunder shall be transferred, passed to or devolved upon any person, firm or corporation other than Lessee herein named, except in the manner permitted hereunder;
- (c) if default shall be made by Lessee in the due performance of any of the covenants set forth in Sections 22.01, 24.02 or 24.03 hereof;
- (d) if default shall be made by Lessee in the due performance of or compliance with any of the terms hereof, other than those referred to in

the foregoing subdivisions (a) (b) and (c) and such default shall continue for 60 days after Lessor shall have given Lessee written notice of such default (or in the case of any such default which cannot with due diligence be cured within such 60-day period, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default with due diligence, it being intended in connection with the default not susceptible of being cured with due diligence within the 60 days that the time of Lessee within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence);

- (e) if Lessee shall file a voluntary petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, composition, readjustment, liquidation or similar relief for itself under any present or future statute, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or of all or any substantial part of its properties or of the Leased Premises, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;
- (f) if a petition shall be filed against Lessee seeking any reorganization, composition, readjustment, liquidation or similar relief under any present or future statute, law or regulation, and shall remain undismissed or unstayed for an aggregate of 90 days (whether or not consecutive), or if any trustee, receiver or liquidator of Lessee or of all or any substantial part of its properties or of the Leased Premises shall be appointed without the consent or acquiescence of Lessee and such appointment shall remain unvacated or unstayed for an aggregate of 90 days (whether or not consecutive);
- (g) if any representation or warranty made by the Lessee herein, or made by the Lessee in any statement or certificate furnished by the Lessee in connection with the execution and delivery of this Lease, proves untrue in any material respect as of the date of the issuance or making thereof and shall not be made good within 30 days after notice thereof to the Lessee by the Trustee or any holder or holders of the Bonds; or

- (h) if Lessee shall abandon the Leased Premises and the same shall remain uncared for and unoccupied for more than 30 days,

then in any such event (regardless of the pendency of any proceeding which has or might have the effect of preventing Lessee from complying with the terms of this Lease) Lessor at any time thereafter and while such Event of Default shall continue may give a written termination notice to Lessee, which notice shall specify the nature of the Event of Default and a date of termination of this Lease not less than 30 days after the giving of such notice, and, subject to the provisions of Section 19.01 relating to the survival of Lessee's obligations and unless such Event of Default shall have been cured prior to the expiration of said 30 day period, the term of this Lease shall expire and terminate by limitation and all rights of Lessee under this Lease shall cease on such date.

ARTICLE XVII

Repossession

Section 17.01. At any time after the expiration of the term of this Lease pursuant to Section 16.01, Lessor without further notice may enter upon and repossess the Leased Premises and may remove Lessee and all other persons and any and all property from the Leased Premises. If an Event of Default occurs and shall be continuing, Lessor shall also, prior to the expiration of the term of this Lease and without any obligation on the part of Lessor to terminate this Lease, have the right of entry, repossession, and removal, after not less than 30 days prior written notice to Lessee of its intent to exercise such right and specifying the nature of the Event of Default, provided that such right shall not be in contravention of the laws of the jurisdiction in which the Leased Premises are located. In the event of the exercise of such right, without termination of this Lease, the Lease shall continue in full force and effect for the balance of its term except that Lessee shall have no right of possession from the date of the exercise of such right; provided that the exercise of such right shall not preclude the subsequent exercise of any other right under this Lease, including the right of termination pursuant to Section 16.01. Lessor shall be under no liability for or by reason of any such entry, repossession or removal.

ARTICLE XVIII

Reletting

Section 18.01. At any time or from time to time after the expiration of the term of this Lease pursuant to Section 16.01, Lessor may (but shall be under no obligation to) relet the Leased Premises or any part thereof for the account of Lessee, in the name of Lessee or Lessor, or otherwise without notice to Lessee, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease), on such conditions and for such uses as Lessor in its discretion may determine provided, that such shall be on a commercially reasonable basis and Lessor may collect and receive the rents therefor. Lessor shall have the same right to relet if it shall

exercise its right of entry, repossession or removal without termination of this Lease as provided in Section 17.01. Lessor shall not be responsible or liable for any failure to relet the Leased Premises or any part thereof, or for any failure to collect any rent due upon any such reletting.

ARTICLE XIX

Survival of Lessee's Obligations; Damages

Section 19.01. Lessee's Obligations to Survive Expiration or Repossession. Except as hereinafter provided, no expiration of the term of this Lease pursuant to Section 16.01 or repossession of the Leased Premises pursuant to Section 17.01 shall relieve Lessee of its liability and obligations hereunder, all of which shall survive any such expiration or repossession.

Section 19.02. Amounts Payable by Lessee on Expiration By Default. In the event of the expiration of the term of this Lease pursuant to Section 16.01, Lessee shall pay to Lessor the Basic Rent and all additional rent and other charges required to be paid, and not theretofore paid, under this Lease, or otherwise, by Lessee up to the time of such expiration; and thereafter Lessee, until the end of what would have been the Original Term of this Lease in the absence of such expiration and whether or not the Leased Premises or any part thereof shall have been relet, shall be liable for and shall pay to Lessor, as and for liquidated and agreed current damages for Lessee's default:

(i) the Basic Rent and all additional rent and other charges which would be payable under this Lease by Lessee if the Original Term of this Lease had not so expired, less

(ii) the net proceeds, if any, of any reletting effected for the account of Lessee pursuant to the provisions of Section 18.01, after deducting all Lessor's necessary and incidental expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, legal expenses, attorneys' fees and expenses, employees' expenses, reasonable alteration costs, and expenses of preparation for such reletting.

Lessee shall pay such current damages on the days on which the Basic Rent would have been payable under this Lease if the Original Term hereof had not so expired, and Lessor shall be entitled to recover the same from Lessee on each such day.

The liability and obligations of Lessee as set forth in this Section 19.02 shall be the same if Lessor shall exercise its right of entry, repossession or removal without termination of this Lease as provided in Section 17.01.

Section 19.03. Optional Recovery by Lessor On Expiration by Default. At any time after the expiration of the term of this Lease pursuant to Section 16.01, whether or not Lessor

shall have collected any current damages as aforesaid, Lessor shall, at its option, be entitled to recover from Lessee, and Lessee will pay to Lessor on demand, as and for liquidated and agreed final damages for Lessee's default and in lieu of all current damages beyond the date of such demand, an amount equal to the greater of:

- (i) The Basic Rent and additional rent and other charges which would be payable under this Lease from the date of such demand (or, if it be earlier, the date to which Lessee shall have satisfied in full its obligations under Section 19.02 to pay current damages) for what would be the then unexpired Basic Term of this Lease if the same had not so expired, less the then fair net rental value of the Leased Premises for the same period, or
- (ii) All Unpaid Installments of Rent as defined in Section 21.01 hereof if any Bond Indebtedness of Lessor is then outstanding and unpaid.

Section 19.04. Rights and Obligations on Default Unchanged by Non-Termination. The right of recovery of Lessor and the obligation of Lessee to pay the amount set forth in Section 19.03 shall be the same if Lessor shall exercise its right of entry, repossession or removal without termination of this Lease as provided in Section 17.01.

Section 19.05. Law Affecting Liquidated Damages. If any statute or rule of law shall validly limit the amount of such liquidated final damages to less than the amount agreed upon in Section 19.03, Lessor shall be entitled to the maximum amount allowable under such statute or rule of law.

ARTICLE XX

Improvement Bonds

Section 20.01. Lessor to Use Best Efforts to Issue and Sell. As provided in Article XIII, Lessee shall have the right to make additions to, alterations of, and improvements on the Leased Premises, structural or otherwise, and to construct and equip additional Facilities (hereinafter collectively called "improvements"). The cost of any improvements shall be paid for by the Lessee or the Lessee at its option, and pursuant to the limitations hereinafter set forth, by notice to the Lessor, specifying the improvements proposed and the estimated cost thereof, may request the Lessor to pay for or reimburse Lessee for the improvements by the sale of improvement bonds. In the latter event the Lessor agrees that if the estimated cost of any such improvements shall equal not less than \$100,000, the Lessor will use its best efforts to issue and sell improvement bonds aggregating not less than \$100,000 under and pursuant to the provisions and limitations set forth in the Indenture and the Act and that it will apply the proceeds of such sale to pay the cost of such improvements. The schedule of payments and the rate of interest on such improvement bonds shall be subject to the Lessee's approval.

Section 20.02. Inability of Lessor to Sell. If the Lessor is unable within a period of six months following its receipt of said request of Lessee successfully to issue, sell and deliver such improvement bonds, the Lessee, at its option, may decide not to make the proposed improvement, or may make the proposed improvement at its own cost.

Section 20.03. Modification and Extension of Lease. Prior to each issuance of improvement bonds under the Indenture the parties hereto shall enter into a supplement to this Lease. Said supplement to this Lease shall, among other things, modify and extend the Original Term hereof and increase the Basic Rent to be paid hereunder by an amount at least sufficient to enable the Lessor to pay the principal of and interest on such improvement bonds. As and when such revised Basic Rent payments are agreed upon, a supplement to this Lease shall be executed by the parties hereto and recorded in all appropriate public offices necessary to give notice thereof.

ARTICLE XXI

Certain Definitions

Section 21.01. As used in this Lease the following terms have the following respective meanings:

Additions or Alterations:	Improvements, replacements, alterations, relocations, additions, enlargements or expansions in, on or to the Leased Premises and any and all equipment therefor.
All Unpaid Installments of Rent:	An amount equal to the entire principal amount of the then outstanding Bond Indebtedness, together with any applicable redemption premiums specified in Article V of the Indenture and all interest accrued or to accrue on and prior to the next earliest redemption date or dates specified in Article V of the Indenture on which the Trustee can redeem the Bond Indebtedness after giving notice to the holders thereof as required by the Indenture, less moneys available for such purpose then held by the Trustee, plus any additional rental due or to become due hereunder, including, without limitation, any unpaid fees and expenses of the Trustee which are then due or will become due prior to the time that the Bond Indebtedness is paid in full and the trust established by the Indenture is terminated.

Authorized Representative:	The President or any Vice President of Lessee.
Basic Rent:	The rent set forth in Schedule C.
Bond Indebtedness:	Any indebtedness of Lessor issued under the Indenture as from time to time supplemented and amended.
Bonds:	The Industrial Revenue Bonds of Lessor from time to time issued and outstanding under the Indenture.
Construction Deposit Agreement:	The Construction Deposit Agreement identified in Section 1.01. All references to such Construction Deposit Agreement in this Lease shall be applicable only to the period of time prior to the completion of the construction of the Facilities and the payment for the same, all as evidenced by the certificates therein provided for.
Facilities, and Leased Premises:	The terms "Facilities", and "Leased Premises" shall have the respective meanings set forth in the demising clause appearing on Page 2 of this Lease.
Indenture:	The Indenture identified in Section 1.01 hereof.
Series A Bonds:	The \$2,700,000 principal amount Industrial Revenue Bonds, Series A of Lessor from time to time outstanding under the Indenture.
Term:	The Original Term and any additional terms as set forth in Section 3.01 hereof.
Trustee:	The South Carolina National Bank of Charleston, as Trustee, or its successors, from time to time under the terms of the Indenture.

ARTICLE XXII

Purchases and Purchase Prices

Section 22.01. Change in Circumstances. Lessor is issuing the Series A Bonds pursuant to an election made under Section 103(c)(6)(D) of the Internal Revenue Code of 1954, as amended. In order to insure that interest on the Series A Bonds

will not become subject to Federal Income Taxes as a result of a violation of the capital expenditures limitation prescribed in said Section 103(c)(6)(D), the Lessee covenants with the Lessor, the Trustee, and with each of the future holders of any Series A Bonds or interest coupons appertaining thereto as follows:

(1) The Lessee covenants and agrees that the aggregate amount of (a) the principal amount of the Bonds and (b) capital expenditures with respect to any land and interests therein, buildings, structures, machinery, equipment and other facilities of which the Lessee or a related person as defined in Section 103(c)(6)(D) of the Internal Revenue Code of 1954 is the principal user and located within the corporate limits of the County of Greenville, South Carolina, as such corporate limit existed at the date of issuance of the Bonds, paid or incurred during the six-year period beginning three years before the date of issue of the Bonds and ending three years after such date of issue (and financed otherwise than out of the proceeds of the Bonds), shall not exceed \$5,000,000 or such lesser or greater amount as may from time to time be permitted by federal statute or regulations and which does not affect the exemption from federal income taxation of the interest paid on the Bonds; provided, however, that capital expenditures (1) to replace property destroyed or damaged by fire, storm, or other casualty, to the extent of the fair market value of the property replaced, (2) required by a change made after the date of issue of the Bonds in a Federal or State law or local ordinance of general application or required by a change made after such date of issue in rules and regulations of general application issued under such a law or ordinance, or (3) required by circumstances which could not be reasonably foreseen on such date of issue or arising out of a mistake of law or fact shall not be taken into account if then exempted under the provisions of Section 103(c)(6)(D) of the Code, (but the aggregate amount of expenditures not taken into account under this clause (3) shall not exceed \$250,000).

(2) Lessee covenants and agrees that it will never permit the occurrence of any circumstance set forth in Section 103(c)(6)(D) and (E) of the Internal Revenue Code of 1954 which might cause interest on the Series A Bonds to lose its tax exempt status;

(3) Lessee covenants and agrees that within 60 days following (i) April 1, 1972 and (ii) the first day of each April thereafter to and including April 1, 1974, the Lessee will furnish to the Trustee a certificate of an Authorized Representative of Lessee, stating that during the period beginning April 1, 1968 to such April 1 (or, in the case of the April 1, 1974 certificate, to the 3rd anniversary of the date of the delivery of the Bonds), capital expenditures (including the \$2,700,000 principal amount of the Series A Bonds) in excess of the greater of (a) \$5,000,000, or (b) the capital expenditures limitation prescribed by said Section 103(c)(6)(D) if hereafter amended so as to increase the limitation, have not been paid or incurred with respect to "facilities" described in Section 103(c)(6)(E) of the Internal Revenue Code of 1954, in Greenville County, South Carolina, of which the Lessee or a related

person as defined in Section 103(c)(6)(C) of the Internal Revenue Code of 1954 is the principal user; and

(4) Lessee covenants and agrees to comply with the governing regulations applicable to Section 103 of the Internal Revenue Code of 1954 to the extent that compliance therewith is necessary in order that interest on the Series A Bonds shall remain exempt.

If during the Term any one or more of the following events shall happen:

- (a) in the event the Lessee or any related person as that term is defined in Section 103(c)(6)(C) of the Internal Revenue Code of 1954 takes or omits to take any action or by reason of any actual or claimed violation of any covenant contained in this Section 22.01 (whether through act of Lessee or circumstances not under Lessee's control or otherwise) and as a result thereof the interest on any of the then outstanding Bonds is required by the United States of America or by any agency or instrumentality thereof or by any court of competent jurisdiction, to be included in gross income in accordance with Section 103 (c) of the Internal Revenue Code of 1954, or
- (b) as a result of changes in the Constitution of the United States of America or of the Constitution of the State of South Carolina or legislative or administrative action (state or federal) or a final decree, judgment, or order of any court of competent jurisdiction, this Lease shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties hereto as expressed in this Lease;

then in any such event, so long as any Bond Indebtedness is outstanding and unpaid, Lessee upon written notice of the occurrence of such event from the Trustee or the holder or holders of any of the Bonds, shall purchase the Leased Premises within 30 days after the mailing of such notice. The purchase price shall be determined as set forth in Section 22.02 hereof. On the date of purchase and upon payment of the purchase price, in cash, Lessor shall convey the Leased Premises to Lessee subject and pursuant to this Article.

The Lessee may in good faith to the extent permitted by law, contest, at Lessee's expense, any such determination, provided in subsection (a) above, in which event, at Lessee's option, the performance of its obligation to purchase pursuant to the foregoing provisions of this Section 22.01(a) as a result of that determination may be postponed for six months from the date of Lessee's receipt of written notice regarding the earliest such determination. If such determination is reversed or withdrawn by competent authority within such six month period Lessee shall be relieved of such obligation to purchase.

The parties recognize that the Series A Bonds are being issued as tax exempt obligations by virtue of an election made under Section 103(c)(6)(D) of the Internal Revenue Code of 1954, and that circumstances (not now contemplated or anticipated) may hereafter result in a determination as described in subsection (a) above (which may be disputed) that interest on the Series A Bonds is no longer tax exempt. It is the intention of the parties hereto that the Lessee, in such event, shall provide each person who is a holder of a Series A Bond on the occasion as of which interest on the Series A Bonds becomes (or is determined to be) taxable, with the relief herein prescribed without regard to final outcome of any dispute, and such determination as described above shall be conclusive even though it might be thereafter determined by Court order, ruling or otherwise that interest on the Series A Bonds was, in fact, not subject to Federal Income Taxes.

Section 22.02. Purchase Price in Certain Events.

If Lessee is required to purchase the remaining portion of the Leased Premises under the provisions of Section 11.02 (condemnation), is required to purchase or has an option to purchase the remainder of the Leased Premises under the provisions of Section 12.02 (casualty) or is required to purchase the Leased Premises under the provisions of Section 22.01 (change in circumstances), the purchase price for any such purchase shall be an amount equal to All Unpaid Installments of Rent.

Section 22.03. Option to Purchase. Lessee shall have an option to purchase the Leased Premises at any time on or after April 1, 1981 for an amount equal to All Unpaid Installments of Rent plus the sum of \$100.00. Lessee shall deliver to Lessor at least 120 days before the proposed date of purchase a notice signed by an Authorized Representative of Lessee stating that the Lessee desires to exercise its option to purchase under the provisions of this Section 22.03. On the proposed date of purchase and upon payment of the purchase price in cash, Lessor shall convey the Leased Premises to Lessee subject and pursuant to this Article.

Section 22.04. Purchase of Unimproved Land. The Lessee shall have, and is hereby granted, the option to purchase any unimproved part of the Leased Premises at any time and from time to time at and for a purchase price equal to \$3,200.00 per acre provided that it furnishes the Lessor with the following:

- (a) A notice in writing containing (i) an adequate legal description of that portion of the Leased Premises with respect to which such option is to be exercised, and (ii) a statement that the Lessee intends to exercise its option to purchase such portion of the Leased Premises on a date stated, which shall not be less than 45 nor more than 90 days from the date of such notice;
- (b) A certificate of an Independent Engineer (as defined in the Indenture) who is acceptable

to the Trustee, dated not more than 90 days prior to the date of the purchase and stating that, in the opinion of the person signing such certificate, (i) the portion of the Leased Premises with respect to which the option is exercised is not needed for the operation of the Leased Premises for the purposes herein above stated, and (ii) the purchase will not impair the usefulness of the Facilities as a research center and will not destroy the means of ingress thereto and egress therefrom; and

- (c) An amount of money equal to the purchase price computed as provided in this Section.

The Lessor agrees that upon receipt of the notice, certificate and money required in this Section to be furnished to it by the Lessee, the Lessor will promptly deliver the same to the Trustee for deposit in the Bond Redemption Account. In the event the Lessee shall exercise the option granted to it under this Section the Lessee shall not be entitled to any abatement or diminution of the rents payable hereunder except as otherwise provided in Schedule C hereto, and if such option relates to Leased Premises on which transportation or utility facilities are located, the Lessor shall retain an easement to use such transportation or utility facilities to the extent necessary for the efficient operation of the Leased Premises. On the proposed date of purchase and upon payment of the purchase price in cash, Lessor shall convey the portion herewith described to Lessee subject and pursuant to the provisions of this Article XXII.

Section 22.05. Granting of Easements. From time to time during the Term of this Lease the Lessee shall have the right to cause Lessor (i) to grant easements affecting the Leased Premises, (ii) to dedicate or convey, as required, portions of the Leased Premises for road, highway and other public purposes, and (iii) to execute petitions to have the Leased Premises or portions thereof annexed to any municipality or included within any utility, highway or other improvement or service district, provided that prior to the exercise of any of the powers granted by this Section 22.06: (a) the Lessee shall notify the Lessor in writing of the action to be taken, (b) the Lessee shall furnish the Lessor with an Authorized Representative's certificate certifying that the action to be taken will not either adversely affect the market value of the Leased Premises or the use of the Leased Premises in the Lessee's business, and (c) the Lessee shall furnish the Lessor an undertaking of Lessee to the effect that Lessee shall remain obligated under the terms of the Lease to the same extent as if the action being taken had not taken place and that Lessee shall, if necessary, restore and rebuild the premises to good condition and repair. Upon compliance with the provisions hereof the Lessor shall, to the extent necessary, execute and deliver all such documents as are necessary, to effectuate the intent of this Section 22.05.

Section 22.06. Title. In the event of any purchase of the Leased Premises or any portion thereof by Lessee pur-

suant to any provision of this Lease, Lessor shall convey merchantable title by a deed thereto to Lessee free and clear of the Indenture, but Lessor shall not otherwise be obligated to give or assign any better title to Lessee than existed on the first day of the Term. Lessee shall accept such title, subject, however, to (i) any liens, encumbrances, charges, exceptions and restrictions not created or caused by Lessor, and (ii) any laws, regulations and ordinances. Although Lessor shall be obligated to convey title to the Leased Premises as aforesaid on the date of purchase upon receipt of the purchase price therefor, Lessor shall nevertheless have such additional time as is reasonably required by Lessor to deliver or cause to be delivered to Lessee all instruments and documents reasonably required by Lessee and necessary to remove from record or otherwise discharge any liens, encumbrances, charges or restrictions in order that Lessor may convey title as aforesaid.

Section 22.07. Charges Incident to Conveyance.

Upon the date fixed for the purchase of the Leased Premises or any portion thereof by Lessee, Lessee shall tender the purchase price therefor to Lessor, and Lessor shall deliver a deed for the Leased Premises or such portion thereof to Lessee. Lessee shall pay all charges incident to any conveyance, including any escrow fees, recording fees, title insurance premiums and any applicable federal, state or local taxes and the like, including federal documentary and local taxes.

Section 22.08. Time of Payment of Purchase Price.

Notwithstanding any other provisions hereof, this Lease shall not terminate on the date on which Lessee shall purchase (whether or not any delay in the completion of such purchase shall be the fault of Lessor), nor shall Lessee's obligations hereunder cease until Lessee shall have paid the purchase price then payable for the Leased Premises or any portion thereof, without set-off, counterclaim, abatement, suspension, deduction, diminution, or defense for any reason whatsoever, so long as any Bond Indebtedness of Lessor is outstanding and unpaid, and until Lessee shall have discharged or made provision satisfactory to Lessor for the discharge of, all of its obligations under this Lease, which obligations have arisen on or before the date for the purchase of the Leased Premises or any portion thereof, including the obligation to pay the Basic Rent due and payable on the date for the purchase of the Leased Premises or such portion thereof.

ARTICLE XXIII

Assignment of Lessor's Interest

Section 23.01. Assignment of Lessor's Interest to Trustee. Lessee agrees that Lessor shall have the right to assign to the Trustee under the Indenture, all right, title and interest of Lessor under this Lease as further security for the obligations of Lessor under the Indenture. No such assignment shall release Lessor from any of its obligations under this Lease nor constitute an assumption of any such obligation by the assignee.

Section 23.02. Rights of Assignee. Lessee covenants and agrees that:

- (a) the Trustee may enforce any and all of the terms of this Lease, to the extent so assigned, as though the Trustee had been a party hereto;
- (b) Lessee will pay all rent including amounts payable as additional rent and other sums payable under this Lease to or upon the direction of the Trustee, without any set-off, deduction, abatement or diminution and will not seek to recover from the Trustee any moneys paid to the Trustee by virtue of such assignment;
- (c) no action, or failure to act on the part of Lessor shall adversely affect or limit any rights of the Trustee;
- (d) no amendment, modification, or termination of this Lease and no waiver of any of the terms and provisions hereof shall be valid unless consented to in writing by the Trustee as provided in the Indenture;
- (e) all notices, demands, certificates, insurance policies and other instruments given by Lessee hereunder shall be delivered to the Trustee; and
- (f) all references to Lessor herein shall be deemed to include the Trustee to the full extent necessary or desirable for the full protection of the Trustee.

Section 23.03. No Modification by Lessor or Lessee.
Except as otherwise expressly permitted herein Lessee shall not:

- (i) modify or in any way alter the terms of this Lease, including, without limitation the covenant to pay rent set forth in Section 4.01 hereof, or terminate the Term hereof, or offer a surrender hereof without the prior written consent of the Trustee as required under the Indenture;
- (ii) anticipate the rental hereunder except as herein provided or accept a waiver, offering, excuse or in any manner secure or obtain a release or discharge of Lessee of or from any orders, obligations, covenants, conditions and agreements including the obligation to pay the rent called for herein in the manner and at the place and at the time specified herein without the prior written consent of the Trustee as provided in the Indenture; and
- (iii) obtain any consents, approvals, or permissions or participate with Lessor in the exercise of any of Lessor's rights, options, elections or privileges as Lessor without the prior written

consent of the Trustee as provided in the Indenture; and any attempt on the part of Lessee to do any of the aforesaid without the prior written consent of the Trustee shall be of no force or effect.

ARTICLE XXIV

Particular Covenants

Section 24.01. The Lessee will keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of Lessee, in accordance with generally accepted principles of accounting consistently applied, and will furnish to the Trustee, to Henderson, Few & Co., Atlanta, Georgia and to any requesting holder or holders of 10% or more in principal amount of the Bonds, as soon as practicable, and in any event within 120 days after the end of each fiscal year, consolidated balance sheets as of the end of such year, and consolidated statements of income for the year then ended, of Lessee and its Subsidiaries, and also consolidating statements if requested, setting forth in each case in comparative form the corresponding figures of the previous annual audit, each in reasonable detail and accompanied by a report or opinion of independent public accountants of recognized standing selected by the Lessee.

Section 24.02. Maintenance of Working Capital. Lessee and its Subsidiaries will at all times maintain their Consolidated Current Assets in an amount at least equal to 150% of their Consolidated Current Liabilities.

Section 24.03. Maintenance of Net Worth. The Lessee and its subsidiaries will maintain a Consolidated Net Worth of not less than \$35,000,000 while any Bond Indebtedness of Lessor shall remain outstanding.

Section 24.04. Definitions of Accounting Terms. For all purposes of this Article XXIV, unless the context otherwise requires:

(a) The term "Indebtedness" with respect to any corporation shall mean and include all items which in accordance with generally accepted accounting principles would be included in determining total liabilities as shown on the liability side of a balance sheet as at the date of which indebtedness is to be determined, in any event including, without limitation, obligations secured by any mortgage, pledge or lien existing on property owned subject to such mortgage, pledge or lien, whether or not the obligations secured thereby shall have been assumed.

(b) The terms, "Current Liabilities" and "Consolidated Current Liabilities" with respect to any corporation and its Subsidiaries, shall include as of the date of determination thereof and, in the case of Consolidated Current Liabilities, after eliminating intercompany items, all Indebtedness maturing on demand or within one year after the date as of which

such Indebtedness was created (other than any such Indebtedness which (i) is renewable pursuant to the terms thereof in such manner that it may become payable more than one year from the date of the creation of such Indebtedness or (ii) is renewable pursuant to the terms of a revolving credit or similar agreement effective for more than one year from the date of the creation of such Indebtedness) and all other items which in accordance with generally accepted accounting principles would be included on a balance sheet as current liabilities.

(c) The terms "Current Assets" and "Consolidated Current Assets" with respect to any corporation and its Subsidiaries, shall include, as of the date of determination thereof and in the case of Consolidated Current Assets, after eliminating intercompany items, all assets which in accordance with generally accepted accounting principles would be included on a balance sheet as current assets.

(d) The term "Consolidated Net Worth", with respect to any corporation and its Subsidiaries, shall mean the sum of amounts appearing on a balance sheet prepared in accordance with generally accepted accounting principles as (1) the par or stated value of all outstanding capital stock, and (2) capital, paid-in and earned surplus, less the sum of (a) any deficit in any surplus or capital account, (b) any amounts at which patents and patent rights, trademarks, trade names and copyrights appear on the asset side of such balance sheet, and (c) any amounts at which shares of the capital stock of such corporation appear on the asset side of such balance sheet.

Section 24.05. Recording and Filing. This Lease and every supplement, assignment and modification hereof shall be recorded in such public office or offices as may be at the time provided by law as the proper place for the recordation of a deed conveying the Leased Premises. This Lease as originally executed shall be so recorded prior to the recordation of the Indenture.

Section 24.06. Waiver of Statutory Rights. This Lease shall not be affected by any laws, ordinances or regulations, whether federal, state, county, city, municipal or otherwise, which may be enacted or become effective from and after the date of this Lease affecting or regulating or attempting to affect or regulate (i) the Basic Rent and other amounts herein reserved or (ii) the continuing in occupancy of Lessee or any sublessees, transferees, or assignees of Lessee's interest in the Leased Premises beyond the dates of termination of their respective leases, or otherwise.

Section 24.07. Non-Waiver by Lessor. No failure by Lessor or by any assignee to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof, and no acceptance of the Basic Rent, in full or in part, during the continuance of such breach, shall constitute a waiver of such breach or of such term. No waiver of any breach, shall affect or alter this Lease or constitute a waiver of a then existing or subsequent breach.

Section 24.08. Remedies Cumulative. Each right, power and remedy of Lessor provided for in this Lease shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise or beginning of the exercise by Lessor of any one or more of the rights, powers or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lessor of any or all such other rights, powers or remedies.

Section 24.09. No Claim Against Lessor. Except as specifically provided herein or in the Construction Deposit Agreement, nothing contained in this Lease shall constitute any consent or request by Lessor, expressed or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Leased Premises or any part thereof, nor give Lessee any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Lessor. Lessor shall have the right to post and keep posted at all reasonable times on the Leased Premises any notices which Lessor shall be required to post for the protection of Lessor and the Leased Premises from the perfecting of any lien.

Section 24.10. Right to Inspect. Lessee agrees to permit the Lessor or the Trustee and the authorized representatives of Lessor or the Trustee to enter the Leased Premises at all reasonable times during the usual business hours for the purpose of (i) inspecting the same or (ii) making any necessary repairs to the Facilities and performing any work therein that may be necessary by reason of Lessee's default under the terms of this Lease.

Section 24.11. Qualification in State of South Carolina. The Lessee covenants that throughout the Term of this Lease it will continue to be duly qualified to do business in the State of South Carolina.

Section 24.12. No Covenant of Quiet Possession. The Lessor does not make any representation or covenant that Lessee shall have quiet and peaceful possession of the Leased Premises, provided, however, Lessor agrees that it will not take any action to interfere with Lessee's peaceful and quiet enjoyment of the Leased Premises, and Lessor agrees that in the event the peaceful and quiet enjoyment of the Leased Premises shall be denied to Lessee or contested by anyone, Lessor shall upon request of the Lessee join where necessary in any proceeding to protect and defend the quiet enjoyment of Lessee, provided that Lessee shall pay the entire cost of any such proceeding, reimburse and indemnify and hold harmless Lessor from any cost or liability whatsoever. The provisions of this Section 24.12 shall be subject and subordinate to the obligations of Lessee set forth in Article IV hereof.

Section 24.13. Applicable Law - Entire Understanding. This Lease shall be governed exclusively by the provisions hereof and by the applicable laws of the State of South Carolina. This Lease expresses the entire understanding and all agreements of the parties hereto with each other and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Lease or in certificates delivered in connection with the execution and delivery hereof.

Section 24.14. Severability. In the event that any clause or provision of this Lease shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 24.15. Notices and Demands. All notices, certificates, demands, requests, consents, approvals and other similar instruments under this Lease shall be in writing and shall be deemed to have been properly given and received if sent by United States certified or registered mail postage prepaid, (a) if to Lessee addressed to Lessee at _____, Attention: President, or at such other address as Lessee from time to time may have designated by written notice to Lessor and any assignee (b) if to Lessor addressed to _____, or at such address as Lessor may have designated, from time to time, in written notice to Lessee and the assignee, and (c) if to the Trustee addressed to the Trustee at _____, or at such address as the Trustee shall have furnished to Lessor and Lessee.

Section 24.16. Headings and References. The headings in this Lease are for convenience of reference only and shall not define or limit the provisions thereof. All references in this Lease to particular Articles or Sections are references to Articles or Sections of this Lease.

Section 24.17. Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 24.18. Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

Section 24.10. No Claim Against Lessor. Except as specifically provided herein or in the Construction Deposit Agreement, nothing contained in this Lease shall constitute any consent or request by Lessor, expressed or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Leased Premises or any part thereof, nor give Lessee any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Lessor. Lessor shall have the right to post and keep posted at all reasonable times on the Leased Premises any notices which Lessor shall be required to post for the protection of Lessor and the Leased Premises from the perfecting of any lien.

Section 24.11. Right to Inspect. Lessee agrees to permit the Lessor or the Trustee and the authorized representatives of Lessor or the Trustee to enter the Leased Premises at all reasonable times during the usual business hours for the purpose of (i) inspecting the same or (ii) making any necessary repairs to the Facilities and performing any work therein that may be necessary by reason of Lessee's default under the terms of this Lease.

Section 24.12. Qualification in State of South Carolina. The Lessee covenants that throughout the Term of this Lease it will continue to be duly qualified to do business in the State of South Carolina.

Section 24.13. No Covenant of Quiet Possession. The Lessor does not make any representation or covenant that Lessee shall have quiet and peaceful possession of the Leased Premises, provided, however, Lessor agrees that it will not take any action to interfere with Lessee's peaceful and quiet enjoyment of the Leased Premises, and Lessor agrees that in the event the peaceful and quiet enjoyment of the Leased Premises shall be denied to Lessee or contested by anyone, Lessor shall upon request of the Lessee join where necessary in any proceeding to protect and defend the quiet enjoyment of Lessee, provided that Lessee shall pay the entire cost of any such proceeding, reimburse and indemnify and hold harmless Lessor from any cost or liability whatsoever. The provisions of this Section 24.13. shall be subject and subordinate to the obligations of Lessee set forth in Article IV hereof.

Section 24.14. Applicable Law - Entire Understanding. This Lease shall be governed exclusively by the provisions hereof and by the applicable laws of the State of South Carolina. This Lease expresses the entire understanding and all agreements of the parties hereto with each other and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Lease or in certificates delivered in connection with the execution and delivery hereof.

Section 24.15. Severability. In the event that any clause or provision of this Lease shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 24.16. Notices and Demands. All notices, certificates, demands, requests, consents, approvals and other similar instruments under this Lease shall be in writing and shall be deemed to have been properly given and received if sent by United States certified or registered mail postage prepaid, (a) if to Lessee addressed to Lessee at _____, Attention: President, or at such other address as Lessee from time to time may have designated by written notice to Lessor and any assignee (b) if to Lessor addressed to _____, or at such address as Lessor may have designated, from time to time, in written notice to Lessee and the assignee, and (c) if to the Trustee addressed to the Trustee at _____, or at such address as the Trustee shall have furnished to Lessor and Lessee.

Section 24.17. Headings and References. The headings in this Lease are for convenience of reference only and shall not define or limit the provisions thereof. All references in this Lease to particular Articles or Sections are references to Articles or Sections of this Lease.

Section 24.18. Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 24.19. Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Greenville County, South Carolina has executed this Lease by causing its name to be hereunto subscribed by the Chairman of its Greenville County Council and the official seal of said Greenville County Council to be impressed hereon and attested by the Secretary of said Council; and Bigelow-Sanford, Inc. has executed this Lease by causing its corporate name to be hereunto subscribed by its Vice President and its corporate seal to be impressed hereon and attested by its Secretary, all being done as of the day and year first above written.

GREENVILLE COUNTY, SOUTH CAROLINA

By _____
Chairman of Greenville
County Council

(SEAL)

Attest:

Secretary of the Greenville
County Council

Signed, sealed and delivered in
the presence of:

BIGELOW-SANFORD, INC.

By _____
Vice President

SEAL

Attest:

Secretary

Signed, sealed and delivered
in the presence of:

STATE OF SOUTH CAROLINA)
) SS
COUNTY OF GREENVILLE)

Personally appeared before me _____ who being
duly sworn says that he saw the corporate seal of Greenville
County, South Carolina, affixed to the foregoing Lease, and
that he saw _____ as Chairman and _____
as Secretary of the Greenville County Council of Greenville
County, South Carolina, sign and attest the same and that he
with _____ witnessed the execution and delivery
thereof as the act and deed of the said Greenville County,
South Carolina.

SWORN to before me this _____
_____ day of May, 1971.

(L.S.)
Notary Public for South Carolina

My Commission expires: _____

STATE OF)
) SS
COUNTY OF)

Personally appeared before me _____ who being
duly sworn says that he saw the corporate seal of Bigelow-
Sanford, Inc. affixed to the foregoing Lease, and that he saw
_____ as Vice President and _____
Secretary of said Corporation, sign and attest the same, and
that he with _____ witnessed the execution and
delivery thereof as the act and deed of the said Bigelow-Sanford,
Inc.

SWORN to before me this _____
_____ day of May, 1971.

(L.S.)
Notary Public for South Carolina

My Commission expires: _____

SCHEDULE B

Section 1. Schedule B of Basic Rent Payments applicable to \$2,700,000 principal amount Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) of Greenville County, South Carolina. This Schedule is made pursuant to Section 4.01 of the Lease dated as of April 1, 1971 (the "Lease") between Greenville County, South Carolina, as Lessor and Bigelow-Sanford, Inc., as Lessee. The Lessee shall pay the Basic Rent for the periods and in the amounts listed below as Total Annual Basic Rent Payment. Basic Rent shall be payable in semi-annual installments on the dates listed below Semi-Annual Basic Rent Payment Dates and in the amounts listed below as Semi-Annual Basic Rent Installments:

<u>Payment Periods</u>	<u>Semi-Annual Basic Rent Payment Date</u>	<u>Semi-Annual Basic Rent Installments</u>	<u>Total Annual Basic Rent Payment</u>
April 1, 1971 March 31, 1972	September 15, 1971 March 15, 1972	\$ 86,550.00 151,550.00	\$238,100.00
April 1, 1972 March 31, 1973	September 15, 1972 March 15, 1973	84,665.00 154,665.00	239,330.00
April 1, 1973 March 31, 1974	September 15, 1973 March 15, 1974	82,635.00 157,635.00	240,270.00
April 1, 1974 March 31, 1975	September 15, 1974 March 15, 1975	80,460.00 160,460.00	240,920.00
April 1, 1975 March 31, 1976	September 15, 1975 March 15, 1976	78,140.00 159,140.00	237,280.00
April 1, 1976 March 31, 1977	September 15, 1976 March 15, 1977	75,675.00 165,675.00	241,350.00
April 1, 1977 March 31, 1978	September 15, 1977 March 15, 1978	73,065.00 173,065.00	246,130.00
April 1, 1978 March 31, 1979	September 15, 1978 March 15, 1979	70,165.00 175,165.00	245,330.00
April 1, 1979 March 31, 1980	September 15, 1979 March 15, 1980	67,120.00 182,120.00	249,240.00
April 1, 1980 March 31, 1981	September 15, 1980 March 15, 1981	63,785.00 183,785.00	247,570.00
April 1, 1981 March 31, 1982	September 15, 1981 March 15, 1982	60,305.00 180,305.00	240,610.00
April 1, 1982 March 31, 1983	September 15, 1982 March 15, 1983	56,535.00 196,535.00	253,070.00
April 1, 1983 March 31, 1984	September 15, 1983 March 15, 1984	52,475.00 202,475.00	254,950.00
April 1, 1984 March 31, 1985	September 15, 1984 March 15, 1985	48,125.00 208,125.00	256,250.00

<u>Payment Periods</u>	<u>Semi-Annual Basic Rent Payment Date</u>	<u>Semi-Annual Basic Rent Installments</u>	<u>Total Annual Basic Rent Payment</u>
April 1, 1985 March 31, 1986	September 15, 1985 March 15, 1986	\$ 42,525.00 212,525.00	\$255,050.00
April 1, 1986 March 31, 1987	September 15, 1986 March 15, 1987	36,575.00 216,575.00	253,150.00
April 1, 1987 March 31, 1988	September 15, 1987 March 15, 1988	30,275.00 225,275.00	255,550.00
April 1, 1988 March 31, 1989	September 15, 1988 March 15, 1989	23,450.00 243,450.00	266,900.00
April 1, 1989 March 31, 1990	September 15, 1989 March 15, 1990	16,100.00 241,100.00	257,200.00
April 1, 1990 March 31, 1991	September 15, 1990 March 15, 1991	8,225.00 243,225.00	251,450.00

Section 2. Any of the proceeds of the Bonds which are not required for any of the purposes specified in Section 3.02 of the Indenture, shall be applied in the manner set forth in Section 4.04 of the Indenture.

Section 3. Any interest, profit or loss on the investment of funds held by the Trustee under Section 4.05 of the Indenture shall be credited or charged, as the case may be, against rents in the manner provided in Section 4.05 of the Indenture. The Lessee agrees to pay to the Trustee upon 10 days prior written notice any loss sustained in the investment of any funds authorized under Section 4.05 of the Indenture.

Section 4. Upon the prior redemption of any Bonds, Lessor and Lessee shall enter into a written supplement, to the Lease correspondingly adjusting the remaining installments of rent to be paid under Section 1 above to amounts necessary to enable the Trustee to pay the principal of and interest, when due, on the remaining unredeemed Bonds.

GREENVILLE COUNTY, SOUTH CAROLINA

TO

THE SOUTH CAROLINA NATIONAL BANK OF CHARLESTON

TRUSTEE

INDENTURE OF MORTGAGE AND DEED OF TRUST

DATED AS OF APRIL 1, 1971

RELATING TO GREENVILLE COUNTY, SOUTH CAROLINA,
INDUSTRIAL REVENUE BONDS (BIGELOW-SANFORD, INC.)

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THIS INDENTURE OF MORTGAGE AND DEED OF TRUST, made and entered into as of the 1st day of April, 1971 (the "Indenture") by and between Greenville County, South Carolina a political subdivision of the State of South Carolina (herein called the "Grantor") party of the first part, and The South Carolina National Bank of Charleston, as Trustee, a national banking association organized and existing under and by virtue of the laws of the United States of America and being duly qualified to accept and administer the trusts hereby created (hereinafter called the "Trustee"), and having a place of business in the City of Columbia, State of South Carolina, party of the second part,

W I T N E S S E T H

WHEREAS, the Grantor is a political subdivision of the State of South Carolina and is authorized under Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967 (hereinafter called the "Act") to acquire, own, lease and dispose of properties, through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate in and remain in the State of South Carolina, and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, to so induce Bigelow-Sanford, Inc., a Delaware corporation (herein sometimes referred to as the "Corporation"), to locate manufacturing facilities in the State of South Carolina, the Grantor has acquired certain real property in the County of Greenville, South Carolina and will construct thereon a computer and reserach center and related office facilities and will lease the real property, computer and research center and related office facilities and other improvements (hereinafter collectively referred to as the "Facility") to the Corporation; and

WHEREAS, the Grantor, pursuant to resolution duly adopted and approved, has entered into a Lease dated as of April 1, 1971 (hereinafter referred to as the "Lease") of the Facility with the Corporation, which Lease has been duly recorded in the office of the Register of Mesne Conveyance of Greenville County, and to which Lease reference may be made by any interested person for the rental, terms, conditions and obligations of the parties thereto; and

WHEREAS, the acquisition and leasing of the Facility and the issuance of revenue bonds by the Grantor as herein recited and provided has been duly approved by the State Budget and Control Board of South Carolina and will serve the intended purposes and in all respects conform to the provisions and requirements of the Act; and

WHEREAS, the Grantor is authorized by the Act and deems it necessary to borrow money for the purposes of acquiring and constructing the Facility and to carry out its obligations under the terms of the Lease and to that end has duly authorized and directed the issue of its Bonds, to be known as its Industrial Revenue Bonds (Bigelow-Sanford, Inc.), to be issued as coupon bonds registrable as to principal only (herein-

after referred to as "coupon Bonds") and as fully registered bonds without coupons (hereinafter referred to as "fully registered Bonds") in one or more series (all bonds from time to time outstanding under the terms of the Indenture are hereinafter referred to as the "Bonds") and to secure the payment of the principal thereof and of the interest and redemption premiums thereon and the performance and observance of the covenants and conditions herein contained the Grantor has authorized the execution and delivery of this Indenture; and

WHEREAS, the Grantor has determined that the amount necessary to finance the cost of the Facility, including necessary expenses incidental thereto, will require the issuance, sale and delivery of an initial series of Bonds hereunder, designated "Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.)" (hereinafter called the "Series A Bonds") in the aggregate principal amount of Two Million Seven Hundred Thousand Dollars (\$2,700,000); and

WHEREAS, the Grantor has elected with respect to the Series A Bonds, that the provisions of Section 103 (c)(6)(D) of the Internal Revenue Code of 1954, as amended, shall be applied thereto, all as more fully set forth therein; and

WHEREAS, the Series A Bonds and the interest coupons to be attached thereto shall be substantially in the following forms with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture:

(Form of Coupon Bond)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

INDUSTRIAL REVENUE BOND, SERIES A
(BIGELOW-SANFORD, INC.)

NO.

\$5,000

Know all men by these presents, that Greenville County, South Carolina, a political subdivision of the State of South Carolina (hereinafter referred to as the "County"), for value received, hereby promises to pay but solely from the source and as hereafter provided and not otherwise, to the bearer, or if this Bond be registered as to principal, to the registered owner hereof, on the 1st day of April 19__, the principal sum of

FIVE THOUSAND DOLLARS (\$5,000)

in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay interest thereon, but solely from said source and as so provided and not otherwise in like coin or currency from the date hereof at the rate of per cent (%) per annum payable semi-annually on the 1st days of October and April of each year until payment of such principal sum, or if this Bond shall be duly called for redemption, until the redemption date, and to

pay interest on overdue principal, premium, if any, and interest (to the extent legally enforceable) at the rate per annum above specified. Both principal of and interest on this Bond are payable at the principal office of The South Carolina National Bank of Charleston, Columbia, South Carolina or its successor or successors, as Trustee (herein referred to as the "Trustee").

This Bond is one of a duly authorized issue of Bonds of the County known as its "County of Greenville, South Carolina Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.)" in an aggregate principal amount of Two Million Seven Hundred Thousand Dollars (\$2,700,000). All of the Series A Bonds are issued under and equally and ratably secured as to principal, premium, if any, and interest by an Indenture of Mortgage and Deed of Trust (hereinafter called the "Indenture") dated as of April 1, 1971, executed by the County and the Trustee, to all of the provisions of which any holder of this Bond by his acceptance hereof thereby assents and to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the trust estate, the nature and extent of the security, and a statement of the terms and conditions upon which the Series A Bonds are issued and secured, the rights of the holders thereof and of the Trustee thereunder, and the indebtedness which is equally secured and the other matters set forth therein. As provided in said Indenture, Bonds of other series ranking equally with Series A Bonds may be issued thereunder, and such Bonds may vary in such manner as is provided and permitted in the Indenture. All Bonds from time to time outstanding under the terms of the Indenture are hereinafter referred to as the "Bonds".

The Series A Bonds have been issued for the purpose of acquiring certain real property in the County of Greenville, South Carolina and constructing a computer and research center and related facilities and improvements thereon (hereinafter collectively referred to as the "Project") and leasing the Project to Bigelow-Sanford, Inc., a Delaware corporation, (hereinafter referred to as the "Lessee") and paying necessary expenses incidental thereto so as thereby to secure and develop industry and trade by inducing the location in the County of the Project. Pursuant to law and the proceedings under which this Series A Bond is issued, this Series A Bond is a limited obligation of the County, the principal of and interest on which is payable solely and exclusively out of revenues derived from the leasing or sale by the County of the Project. The rental to be paid by the Lessee for the lease of the Project has been assigned to the Trustee as further security for the Bonds, and such rental is sufficient to pay the principal and interest on the Series A Bonds as the same become due and payable.

This Series A Bond is issued pursuant to and in full compliance with the Constitution and laws of the State of South Carolina, particularly Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967, and pursuant to resolution of the Greenville County Council duly adopted and approved, which resolution authorizes the execution and delivery of the Indenture. This Series A Bond and the issue of which it forms a part and the interest coupons appertaining hereto are limited obligations of the County and

shall never constitute an indebtedness of the County within the meaning of any state constitutional or statutory provision or limitation, but are payable solely out of the revenues and other amounts derived from the leasing of the Project financed through the issuance of the Series A Bonds. The Series A Bonds and the interest coupons appertaining thereto do not now and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

As provided in, and to the extent permitted by, the Indenture or any indenture supplemental thereto, the rights and obligations of the County and of the holders of the Bonds and coupons may be modified by the County with the written consent of the holders of 66 2/3% in principal amount of the Bonds then outstanding (which written consent shall be binding upon every future holder hereof); provided, however, that no such modification shall effect the reduction of, or the extension of the stated time of payment of, the principal hereof or the interest hereon or of any premium payable on the redemption hereof or permit the creation of any lien on the trust estate prior to or on a parity with the lien of the Indenture or deprive the holder hereof of the lien created by the Indenture on the trust estate without the consent of the holder hereof.

The Series A Bonds maturing on April 1, 1982 and thereafter are redeemable at the option of the County, in whole or in part in inverse numerical order on April 1, 1981 and on any interest payment date thereafter at the principal amount of the Series A Bonds to be redeemed, and accrued interest thereon to the date of redemption, plus a premium of 5% of such principal amount less 1/2 of 1% for each one year period elapsed from and including the first day of April in 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

The Series A Bonds are also redeemable at any time out of certain moneys received by the Trustee as provided in the Indenture, either as a whole or in part, in inverse numerical order at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount less (in the case of any redemption after April 1, 1981) 1/2 of 1% for each one year period elapsed from and including the first day of April in 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

The Series A Bonds are subject to mandatory redemption at any time out of certain moneys received by the Trustee from the mandatory purchase by Bigelow-Sanford, Inc. of the Project resulting from any violation of restrictions and limitations contained in Section 103(c)(6)(D) of the Internal Revenue Code of 1954, as amended, at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount, plus an additional premium, if any, determined by multiplying one-third of the 12 months interest on each Series A Bond redeemed by the number of 180 day periods, or fractions thereof, between the date as of which interest on the Series A Bonds is taxable and the redemption date.

The principal hereof may be declared or may become due on the conditions and in the manner and at the time set forth in the Indenture upon the occurrence of an event of default as in the Indenture provided.

As provided in the Indenture notice of redemption (unless waived) shall be given by publication at least once in a financial newspaper printed in the English language and customarily published on each business day, whether or not published on Saturdays, Sundays or holidays, of general circulation in the City of New York, New York (such publication to be not less than 30 nor more than 60 days before the redemption date). If any Bond called for redemption is registered as to principal, notice of redemption thereof shall also be mailed by first class mail postage prepaid not less than 30 nor more than 60 days before the redemption date, to the registered owner of such Bond, but neither failure to mail such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

This Series A Bond may be registered as to principal only on books of the County kept by the Trustee under the Indenture, upon presentation hereof to said Trustee, such registration to be made on such books and endorsed hereon by said Trustee, and after such registration no transfer hereof shall be valid unless made on said books of registration at the request of the registered owner or his duly authorized attorney and similarly noted hereon. This Bond may be discharged from registration by like transfer to bearer and thereby transferability by delivery shall be restored, but this Bond shall again be subject to successive registrations and transfers as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative. Notwithstanding the registration of this Bond, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

Subject to the provisions for registration included herein and contained in the Indenture, this Bond and the coupons appurtenant hereto shall have all the qualities and incidents of and shall be negotiable instruments.

The Series A Bonds are issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000, and as fully registered Bonds without coupons in denominations of \$5,000 and any authorized multiple thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, fully registered Bonds without coupons may be exchanged for a like aggregate principal amount of coupon Bonds of the same maturity bearing all unmatured coupons or for a like aggregate principal amount of fully registered Bonds without coupons of the same maturity of other authorized denominations, and coupon Bonds bearing all unmatured coupons may be exchanged for a like aggregate principal amount of fully registered Bonds without coupons of the same maturity of authorized denominations.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Series A Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Series A Bond and the series of which it forms a part, together with all other obligations of the County, does not exceed or violate any constitutional or statutory limitation; and that the lease rentals and revenues pledged to the payment of the principal of and interest on this Series A Bond and the series of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

Neither this Series A Bond nor the coupons attached hereto shall be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until it shall have been authenticated by the certificate of the Trustee endorsed hereon.

IN WITNESS WHEREOF, Greenville County, South Carolina has caused this Series A Bond to be duly executed in its name by the facsimile signature of the Chairman of its Greenville County Council and its corporate seal to be impressed or imprinted hereon and attested by the manual signature of the Secretary of its Greenville County Council and has caused coupons for interest bearing the facsimile signatures of said Chairman and said Secretary to be attached hereto as of the 1st day of April, 1971.

GREENVILLE COUNTY, SOUTH CAROLINA

By

Chairman of the Greenville
County Council

(SEAL)

Attest:

Secretary of the Greenville
County Council

(Form of Interest Coupon)

On _____, 19__ Greenville County, South Carolina, a political subdivision of the State of South Carolina will pay but solely from the source and in the manner specified in the Bond mentioned below and not otherwise, to bearer, unless such Bond shall previously have been called for redemption as provided in the Indenture referred to in said Bond and provision for payment thereof shall have been duly made, at the principal office of The South Carolina National Bank of Charleston, in Columbia, South Carolina, upon the presentation and surrender hereof of the sum of _____ Dollars (\$ _____) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, for the interest then due upon its Industrial Revenue Bond, Series A (Bigelow-Sanford, Inc.) dated as of the 1st day of April, 1971, No.

Secretary, Greenville County
Council

Chairman, Greenville
County Council

WHEREAS, the certificates to be printed on all Bonds are to be substantially in the following form:

(Form of Certificate of Registration)

(Note: There must be no writing in the space below except by the Trustee)

Date of Registration	:	Name of Registered Owner	:	Signature of Trustee
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	

(Form of Trustee's Certificate of Authentication)

This Bond is one of an issue described in the Indenture within mentioned.

THE SOUTH CAROLINA NATIONAL BANK
OF CHARLESTON, As Trustee

By _____
Authorized Officer

(Form of Fully Registered Bond)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

INDUSTRIAL REVENUE BOND,
SERIES A (BIGELOW-SANFORD, INC.)

No. _____ \$ _____

Know all men by these presents, that Greenville County, South Carolina, a political subdivision of the State of South Carolina (hereinafter referred to as the "County"), for value received, hereby promises to pay but solely from the source and as hereafter provided and not otherwise, to _____, or registered assigns, on the 1st of April, 19____, the principal sum of _____ Dollars in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay interest thereon, but solely from said source and as so provided and not otherwise, in like coin or currency from the date hereof, at the rate of _____ per cent (_____ %) per annum payable semi-

annually on the 1st days of October and April of each year until payment of such principal sum, or if this Bond shall be duly called for redemption, until the redemption date, and to pay interest on overdue principal, premium, if any, and interest (to the extent legally enforceable) at the rate per annum above specified. Both principal of and interest on this Bond are payable at the principal office of The South Carolina National Bank of Charleston, in Columbia, South Carolina or its successor or successors as Trustee (herein referred to as the "Trustee").

This Bond is one of a duly authorized issue of Bonds of the County known as its "County of Greenville, South Carolina Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.)" in an aggregate principal amount of Two Million Seven Hundred Thousand Dollars (\$2,700,000). All of the Series A Bonds are issued under and equally and ratably secured as to principal, premium, if any, and interest by an Indenture of Mortgage and Deed of Trust (hereinafter called the "Indenture") dated as of April 1, 1971, executed by the County and the Trustee, to all of the provisions of which any holder of this Bond by his acceptance hereof thereby assents and to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the trust estate, the nature and extent of the security, and a statement of the terms and conditions upon which the Series A Bonds are issued and secured, the rights of the holders thereof and of the Trustee thereunder, and the indebtedness which is equally secured and the other matters set forth therein. As provided in said Indenture, Bonds of other series ranking equally with Series A Bonds may be issued thereunder, and such Bonds may vary in such manner as is provided and permitted in the Indenture. All Bonds from time to time outstanding under the terms of the Indenture are hereinafter referred to as the "Bonds".

The Series A Bonds have been issued for the purpose of acquiring certain real property in the County of Greenville, South Carolina and constructing a computer and reserach center and related facilities and improvements thereon (hereinafter collectively referred to as the "Project") and leasing the Project to Bigelow-Sanford, Inc., a Delaware corporation, (hereinafter referred to as the "Lessee") and paying necessary expenses incidental thereto so as thereby to secure and develop industry and trade by inducing the location in the County of the Project. Pursuant to law and the proceedings under which this Series A Bond is issued, this Series A Bond is a limited obligation of the County, the principal of and interest on which is payable solely and exclusively out of revenues derived from the leasing or sale by the County of the Project. The rental to be paid by the Lessee for the lease of the Project has been assigned to the Trustee as further security for the Bonds, and such rental is sufficient to pay the principal and interest on the Series A Bonds as the same become due and payable.

This Series A Bond is issued pursuant to and in full compliance with the Constitution and laws of the State of South Carolina, particularly Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967, and pursuant to resolution of the Greenville County Council duly adopted and approved, which resolution authorizes the

execution and delivery of the Indenture. This Series A Bond and the issue of which it forms a part and the interest coupons appertaining hereto are limited obligations of the County and shall never constitute an indebtedness of the County within the meaning of any state constitutional or statutory provision or limitation, but are payable solely out of the revenues and other amounts derived from the leasing of the Project financed through the issuance of the Series A Bonds. The Series A Bonds and the interest coupons appertaining thereto do not now and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

As provided in, and to the extent permitted by, the Indenture or any indenture supplemental thereto, the rights and obligations of the County and of the holders of the Bonds and coupons may be modified by the County with the written consent of the holders of 66 2/3% in principal amount of the Bonds then outstanding (which written consent shall be binding upon every future holder hereof); provided, however, that no such modification shall effect the reduction of, or the extension of the stated time of payment of, the principal hereof or the interest hereon or of any premium payable on the redemption hereof or permit the creation of any lien on the trust estate prior to or on a parity with the lien of the Indenture or deprive the holder hereof of the lien created by the Indenture on the trust estate without the consent of the holder hereof.

The Series A Bonds maturing on April 1, 1982 and thereafter are redeemable at the option of the County, in whole or in part in inverse numerical order on April 1, 1981 and on any interest payment date thereafter at the principal amount of the Series A Bonds to be redeemed, and accrued interest thereon to the date of redemption, plus a premium of 5% of such principal amount less 1/2 of 1% for each one year period elapsed from and including the first day of April in 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

The Series A Bonds are also redeemable at any time out of certain moneys received by the Trustee as provided in the Indenture, either as a whole or in part, in inverse numerical order at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount less (in the case of any redemption after April 1, 1981) 1/2 of 1% for each one year period elapsed from and including the first day of April in 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

The Series A Bonds are subject to mandatory redemption at any time out of certain moneys received by the Trustee from the mandatory purchase by Bigelow-Sanford, Inc. of the Project resulting from any violation of restrictions and limitations contained in Section 103(c)(6)(D) of the Internal Revenue Code of 1954, as amended, at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount, plus an additional premium, if any, determined by multiplying one-third of the 12 months interest on each Series A Bond redeemed by the number of 180 day periods, or fraction thereof, between the date as of which interest on the Series A Bonds is taxable and the redemption date.

The principal hereof may be declared or may become due on the conditions and in the manner and at the time set forth in the Indenture upon the occurrence of an event of default as in the Indenture provided.

As provided in the Indenture notice of redemption (unless waived) shall be given by publication at least once in a financial newspaper printed in the English language and customarily published on each business day, whether or not published on Saturdays, Sundays or holidays, of general circulation in the City of New York, New York (such publication to be not less than 30 nor more than 60 days before the redemption date). If any Bond called for redemption is registered as to principal, notice of redemption thereof shall also be mailed by first class mail postage prepaid not less than 30 nor more than 60 days before the redemption date, to the registered owner of such Bond, but neither failure to mail such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

This Series A Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Series A Bond. Upon such transfer a new fully registered Bond or Bonds without coupons of the same maturity, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The County and the Trustee may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes and neither the County nor the Trustee nor any paying agent shall be affected by any notice to the contrary.

The Series A Bonds are issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000, and as fully registered Bonds without coupons in denominations of \$5,000 and any authorized multiple thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, fully registered Bonds without coupons may be exchanged for a like aggregate principal amount of coupon Bonds of the same maturity bearing all unmatured coupons or for a like aggregate principal amount of fully registered Bonds without coupons of the same maturity of other authorized denominations, and coupon Bonds bearing all unmatured coupons may be exchanged for a like aggregate principal amount of fully registered Bonds without coupons of the same maturity of authorized denominations.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Series A Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Series A Bond and the series of which it forms a part, together with all other obligations of the County, does not exceed or violate any constitutional or statutory limitation; and that the lease rentals

and revenues pledged to the payment of the principal of and interest on this Series A Bond and the series of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

This Series A Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until it shall have been authenticated by the certificate of the Trustee endorsed hereon.

IN WITNESS WHEREOF, Greenville County, South Carolina, has caused this Series A Bond to be duly executed in its name by the facsimile signature of the Chairman of its Greenville County Council and its corporate seal to be impressed or imprinted hereon and attested by the manual signature of the Secretary of its Greenville County Council as of the _____ day of _____, 19__.

GREENVILLE COUNTY, SOUTH CAROLINA

By _____
Chairman of the Greenville
County Council

(SEAL)

Attest:

Secretary of the Greenville
County Council

(Form of Trustee's Certificate of Authentication)

This Bond is one of an issue described in the Indenture within mentioned.

THE SOUTH CAROLINA NATIONAL BANK
OF CHARLESTON, As Trustee

By _____
Authorized Officer

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED _____
hereby sell_, assign_, and transfer_, unto _____
_____ the within Bond, together with
accrued interest thereon, and all right, title and interest
thereto, and hereby irrevocably authorize and appoint _____
_____, attorney, to transfer said Bond
on the books of the within named County with full power of
substitution in the premises.

Dated: _____, 19__.

_____(L.S.)

In the presence of:

WHEREAS, the Bonds of other series, and coupons to be attached thereto, are to be in substantially the form of the Bonds of Series A and coupons appertaining thereto, which are hereinbefore set forth but with such appropriate omissions, insertions and variations as are in this Indenture or any indenture supplemental thereto provided or permitted; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, valid, binding and legal special obligations of the Grantor, and to constitute this Indenture a valid and binding agreement securing the payment of the principal of, premium, if any, and interest on all Bonds issued and to be issued hereunder, have been done and performed and the creation, execution and delivery of this Indenture and the creation, execution and issuance of said Bonds, subject to the terms hereof, have in all respects been authorized;

NOW, THEREFORE, THIS INDENTURE FURTHER WITNESSETH:

That the County of Greenville, South Carolina, party of the first part, in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the holders thereof, and of the sum of One Dollar (\$1.00) lawful money of the United States of America to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all Bonds at any time issued and outstanding under this Indenture according to their tenor and effect and the performance and observance by the Grantor of all the covenants expressed or implied herein and in the Bonds, has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and does by these presents hereby grant, sell, warrant, remise, release, convey, assign, transfer, alien, mortgage, pledge, set over, grant a security interest in and confirm, unto The South Carolina National Bank of Charleston as Trustee and to its successors in the trusts hereby created, and to it and its assigns forever, with power of sale subject to the rights of the Corporation, its successors and assigns, under the Lease, all and singular the property, real and personal, hereinafter described (said property being herein sometimes referred to as the "mortgaged property", "trust estate" or "Trust Estate"), to wit:

DIVISION I

The parcel of real estate located in the County of Greenville, South Carolina, specifically described in Schedule A

attached hereto and hereby made a part hereof, together with all right, title and interest of the Grantor in and to all buildings, structures, improvements and appurtenances now standing, or at any time hereafter constructed or placed upon said property or any part thereof, including all right, title and interest of the Grantor, if any, in and to all fixtures and appurtenances now or hereafter existing of every kind and nature whatsoever on said premises or in any building now or hereafter standing on said property, or any part thereof, and the reversion or reversions, remainder or remainders, in and to said property and each and every part thereof, and together with the entire interest of the Grantor in and to all and singular the tenements, hereditaments, easements, rights, privileges and appurtenances to said property belonging or in any wise appertaining thereto, and all right, title and interest of the Grantor in and to any streets, ways, alleys or strips of land adjoining said property or any part thereof, and all the estate, right, title, interest, claim or demand whatsoever of the Grantor either in law or in equity, in possession or expectancy, of, in and to said property, it being the intention of the parties hereto that so far as may be permitted by law, all tangible property now owned or hereafter acquired by the Grantor and affixed to, attached to, placed upon, or used in any way in connection with the enjoyment, occupancy or operation of said property shall be deemed to be, and shall be considered as, fixtures and appurtenances to the real property of the Grantor.

DIVISION II

All right, title and interest of the Grantor in and to the rents, issues, profits, income, revenues and receipts derived from the Trust Estate or any part thereof including without limitation, all right, title and interest of the Grantor, as Lessor, in, under and to the Lease, between the Grantor, as Lessor, and the Corporation, as Lessee, covering the property described in Division I and all rents, issues, profits, income and other sums due and to become due under and pursuant to or by reason of the Lease (excluding, however, amounts paid by the Corporation thereunder to the Grantor and other local taxing authorities in lieu of taxes pursuant to Section 6.02 thereof and amounts paid by the Corporation to the Grantor pursuant to Section 8.01 thereof) it being the intent and purpose hereof that the assignment and transfer to the Trustee of the rents and other sums due and to become due under the Lease shall be effective and operative immediately and shall continue in

force and effect, and the Trustee shall have the right to collect and receive said rents and other sums for application in accordance with the provisions hereof, at all times during the period from and after the date of this Indenture until the indebtedness hereby secured shall have been fully paid and discharged, including without limitation at all times after the institution and during the pendency of foreclosure proceedings and after any sale on foreclosure. So long as the Lease shall not have been terminated in accordance with the provisions thereof, the Grantor is to remain liable to observe and perform all the conditions and covenants in said Lease provided to be observed and performed by it.

DIVISION III

All rights, privileges, licenses, permits, immunities and easements of every kind and nature appurtenant to the properties and estates described in Divisions I and II hereof or appurtenant to any property covered by any instrument at any time hereafter conveying, mortgaging, pledging or assigning any property of any kind to the Trustee hereunder to be held as part of the mortgaged property; and also all and singular the tenements, hereditaments or appurtenances belonging to said properties or any part thereof or in any wise appertaining thereto and the reversions, remainders, rents, issues and profits thereof (including, but without limitation of the present assignment, pledge and transfer of the rents, income and other sums due and to become due under and pursuant to the Lease which is provided for in Division II hereof, the rents, issues and profits during any period allowed by law for the redemption of the mortgaged property after any foreclosure or other sale); and all the estate, right title and claim whatsoever, at law as well as in equity, which the Grantor now has or may hereafter acquire in and to the property and estates described in Divisions I and II hereof or any part thereof, whether now owned or hereafter acquired.

DIVISION IV

All property which is by the express provisions of this Indenture required to be subjected to the lien hereof and any additional property that may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien hereof, by the Grantor or by anyone in its behalf, and the Trustee is hereby authorized to receive the same at any time as additional security hereunder.

TO HAVE AND TO HOLD, all and singular, the trust estate, including all additional property which by the terms hereof has or may become subject to the encumbrance of this Indenture, unto the Trustee and its successors and assigns, forever, subject, however, (i) to the restrictions or encumbrances set forth on Schedule A following the description of the real estate and (ii) to the rights of the Corporation, its successors and assigns, under the Lease.

IN TRUST, however, for the equal and proportionate benefit and security of the holders from time to time of the Bonds and coupons authenticated and delivered hereunder and issued by the Grantor and outstanding, without preference, priority or distinction as to lien or otherwise of any one of

said Bonds over any other or others of said Bonds to the end that each holder of such Bonds has the same rights, privileges and lien under and by virtue of this Indenture; and conditioned, however, that if the Grantor shall well and truly pay or cause to be paid fully and promptly when due all indebtedness, liabilities, obligations and sums at any time secured hereby, including interest and attorney's fees, and shall promptly, faithfully and strictly keep, perform and observe or cause to be kept, performed and observed all of its covenants, warranties and agreements contained herein, then and in such event this Indenture shall be and become void and of no further force and effect, otherwise the same shall remain in full force and effect and upon the trust and subject to the covenants and conditions hereinafter set forth.

ARTICLE I

Definitions

Section 1.01. In addition to words and terms elsewhere defined in this Indenture, the following words and terms as used in this Indenture and in the Bonds shall have the following meanings, unless some other meaning is plainly intended:

"Authorized Newspaper" means a financial newspaper of general circulation in the City of New York, New York, printed in the English language, customarily published on each business day, whether or not published on Saturdays, Sundays or holidays.

"Basic Rent" means the rental set forth in Schedule B of the Lease.

"Bondholder" and "holder" shall mean the bearer of a Bond not registered as to principal, and the registered owner of a fully registered Bond or a coupon Bond registered as to principal.

"Bond Redemption Account" shall mean the account by that name referred to in Section 5.01 hereof.

"Bond Retirement Account" shall mean the account by that name referred to in Article IV hereof.

"Bonds" mean the Bonds of all series from time to time authenticated and delivered under this Indenture.

"Certified Resolution" with reference to the Grantor means a copy of a resolution certified by the Chairman of the Greenville County Council to have been duly passed and adopted by the Greenville County Council at a meeting duly called and convened.

"Construction Deposit Agreement" shall mean the agreement by that name between the Grantor, the Corporation and the Trustee, as Depositary, providing for the disbursement of part of the proceeds of sale of the Bonds for the purpose of acquiring and constructing the Facility.

The word "continuing" as applied to an Event of Default, means any event of default not cured or waived.

"Corporation" or "Bigelow-Sanford, Inc." shall mean Bigelow-Sanford, Inc., a Delaware Corporation and its successors and assigns under the Lease.

"County Council" or "Board of Directors" when used with reference to the Grantor shall mean the Greenville County Council and its successors.

"Expense Account" shall mean the account by that name referred to in Article III hereof.

"Facility" shall mean the real estate described in Schedule A attached hereto, together with the computer and research center and related office facilities located and to be constructed on such real estate and all facilities provided in this Indenture or the Lease to be subject to the lien of this Indenture.

"Indenture" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto.

"Independent Architect" or "Independent Engineer" means an architect or firm of architects or a registered engineer, firm of engineers or engineering corporation acceptable to the Corporation so long as it is not in default under the Lease.

"Interest Account" shall mean the account by that name referred to in Article IV hereof.

"Lease" shall mean the Lease dated as of April 1, 1971 executed by the Grantor, as Lessor, and the Corporation, as Lessee, as from time to time amended and supplemented.

"Leased Premises" shall mean the premises described in Schedule A to the Lease, together with the computer and research center and other facilities and improvements located and to be constructed thereon and appurtenances thereto.

"Lessee" shall mean the Corporation, its successors and assigns under the Lease.

"Officers Certificate" with reference to the Corporation shall mean a certificate in writing signed by the President or any Vice President and by the Secretary or any Assistant Secretary and with reference to the Grantor shall mean a certificate in writing signed by the Chairman and by the Secretary of the Greenville County Council.

"Opinion of Counsel" means a written opinion of counsel, who may be counsel for the Grantor.

"Outstanding" when used with reference to Bonds, shall, subject to the provisions of Section 9.04, mean as of any particular time all the Bonds authenticated and delivered by the Trustee under this Indenture, except

- (a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee cancelled or for cancellation;
- (b) Bonds for the payment or redemption of which moneys in the necessary amount shall have been deposited in trust with the Trustee, provided that if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as provided in Article V or provision satisfactory to the Trustee shall have been made for giving such notice; and
- (c) Bonds in substitution for which other Bonds shall have been authenticated and delivered pursuant to the terms of Sections 2.06 and 2.07.

"Permitted Liens" shall mean the liens, encumbrances, and title objections set forth in Schedule A hereto and as permitted under and pursuant to the Lease.

"Qualified Investments" shall mean:

- (a) obligations issued or guaranteed by the United States of America; and
- (b) obligations issued or guaranteed by any person controlled or supervised by and acting as an instrumentality of the United States of America pursuant to authority granted by the Congress of the United States; and
- (c) certificates of deposit where such certificates of deposit are collaterally secured by securities of the type described in (i) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; or
- (d) to the extent such investments are not prohibited by law for investment of bond proceeds by the Grantor, certificates of deposit of banks or trust companies, including the Trustee, organized under the laws of the United States or any state thereof, which have a combined capital and surplus of at least \$10,000,000.

"Responsible Officers" of the Trustee or any separate trustee or co-trustee hereunder shall mean the chairman of the board of directors, the president, every vice president, every assistant vice president, the cashier, every assistant cashier, the secretary, every assistant secretary, every trust officer, and every officer and assistant officer of such trustee, other than those specifically above mentioned, to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject.

"Registered Owner" shall mean the person or persons in whose name or names a Bond shall be registered, on the books of the Grantor kept for that purpose in accordance with the terms of this Indenture.

"Series A Bonds" shall mean the \$2,700,000 principal amount of Industrial Revenue Bonds, Series A from time to time issued and outstanding under this Indenture.

"Trustee" shall mean The South Carolina National Bank of Charleston, party of the second part to this Indenture and its successors in interest.

"Trust Estate" "trust estate" or "mortgaged property" shall mean the property of the Grantor which is subject to the lien of this Indenture.

"Written Request" with reference to the Grantor shall mean a request in writing signed by the Chairman and by the Treasurer or the Clerk of the Grantor and with reference to the Corporation shall mean a request in writing signed by the President or any Vice President and by the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary of the Corporation.

Section 1.02. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The word "Bond" "coupon" "holder" and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The word "person" shall include corporations, associations and natural persons unless the context shall otherwise indicate.

Any certificate or opinion made or given by an officer of the Grantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any certificate or opinion made or given by counsel may be based (insofar as it relates to factual matters, information with respect to which is in the possession of the Grantor), upon the certificate or opinion of or representations by an officer or officers of the Grantor, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

ARTICLE II

Execution, Authentication, Maturity, Form and Registration of Bonds

Section 2.01. The Bonds authorized to be issued under this Indenture shall be designated as "County of Greenville, South Carolina, Industrial Revenue Bonds (Bigelow-Sanford Inc.)" and shall be issuable as coupon Bonds registrable as to principal only and as fully registered Bonds without coupons. The Series A Bonds shall be issuable in the denominations specified in Section 3.01 hereof. All Bonds issued under this Indenture shall be payable solely from the revenues and receipts derived from the leasing or sale of the Facility. The principal of and interest on the Bonds issued hereunder are secured by a mortgage and pledge of the revenues and receipts from the Trust Estate and are further secured by the lien of this Indenture on the Trust Estate.

"Series A Bonds" shall mean the \$2,700,000 principal amount of Industrial Revenue Bonds, Series A from time to time issued and outstanding under this Indenture.

"Trustee" shall mean The South Carolina National Bank of Charleston, party of the second part to this Indenture and its successors in interest.

"Trust Estate" "trust estate" or "mortgaged property" shall mean the property of the Grantor which is subject to the lien of this Indenture.

"Written Request" with reference to the Grantor shall mean a request in writing signed by the Chairman and by the Treasurer or the Clerk of the Grantor and with reference to the Corporation shall mean a request in writing signed by the President or any Vice President and by the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary of the Corporation.

Section 1.02. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The word "Bond" "coupon" "holder" and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The word "person" shall include corporations, associations and natural persons unless the context shall otherwise indicate.

Any certificate or opinion made or given by an officer of the Grantor may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any certificate or opinion made or given by counsel may be based (insofar as it relates to factual matters, information with respect to which is in the possession of the Grantor), upon the certificate or opinion of or representations by an officer or officers of the Grantor, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

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Section 2.02. The Grantor covenants that so long as the Bonds or any of them shall be outstanding it will cause to be maintained an office or agency where the Bonds and coupons may be presented for payment. The principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal, premium, if any, and interest, shall be payable at the principal office of The South Carolina National Bank of Charleston in the City of Columbia, South Carolina. Payment of the interest on the coupon Bonds shall be made only upon presentation and surrender of the coupons representing such interest as the same respectively falls due. Payment of the interest on any fully registered Bond on any interest payment date shall be made to the person appearing on the Bond registration books of the Grantor as the registered owner thereof and shall be paid by check or draft mailed to the registered owner at his address as it appears on such registration books or at such other address as is furnished the Trustee in writing by such holder. Payment of the principal of all Bonds shall be made upon presentation and surrender of such Bonds as the same shall become due and payable, at maturity, upon redemption or otherwise.

Section 2.03. Only Bonds authenticated by the endorsement thereon of a certificate substantially in the form hereinbefore recited, executed by the Trustee, by one of its authorized officers, shall be valid or become obligatory for any purpose or be secured by this Indenture or shall be entitled to any benefit hereunder, and every such certificate of the Trustee upon any Bond purporting to be secured hereby shall be conclusive evidence that such Bond so authenticated has been duly authenticated and delivered hereunder, and that the holder is entitled to the benefit of the trusts hereby created. Before authenticating and delivering any Bond hereunder, the Trustee shall remove and cancel any coupons thereon then matured except coupons in default.

Section 2.04. All Bonds issued and to be issued under this Indenture shall be executed in the name of the Grantor by the manual or facsimile signature of its Chairman and shall have impressed or imprinted thereon the corporate seal of the Grantor attested by the manual signature of its Secretary. In case any of the officers of the Grantor who shall have signed or sealed any Bond shall cease to be such officer before the Bond so signed or sealed shall have been actually authenticated by the Trustee or delivered or issued, such Bond may be authenticated and delivered and issued with the same effect as though the person who had signed and sealed such Bond had not ceased to be an officer of the Grantor. The coupons to be attached to all Bonds shall be authenticated by the engraved or lithographed facsimile signature of the Chairman and the Secretary and the Grantor may use for that purpose the engraved or lithographed signature of such Chairman, and the Secretary notwithstanding the fact that they may have ceased to be such officials at the time when such Bonds shall be actually authenticated and delivered or issued.

Section 2.05. To the extent then permitted under the laws of the State of South Carolina, Bonds of any series may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds shall be of such

denomination or denominations, without coupons, as may be determined by the Grantor, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Grantor and be authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Grantor issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds may be surrendered for cancellation in exchange therefor at the office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of the same series and maturity of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Subject to the provisions of applicable law, in case any temporary or definitive Bond or coupon issued hereunder shall become mutilated, or be lost, stolen or destroyed, the Grantor, in its discretion, shall issue, and the Trustee shall authenticate and deliver, a new Bond (with coupons corresponding to the coupons, if any, appertaining to the mutilated, lost, stolen, or destroyed Bond) or coupon of like tenor, amount, maturity and date, and bearing a number not contemporaneously outstanding, in exchange and substitution for, and upon cancellation of, the mutilated Bond or coupon, or in lieu of and substitution for such lost, stolen or destroyed Bond or coupon, or if any such Bond or any coupon shall have matured or shall be about to mature, instead of issuing a substituted Bond the Grantor may pay such Bond or coupon without surrender thereof. In every case of destruction, loss or theft the applicant shall furnish evidence satisfactory to the Grantor and the Trustee, shall furnish indemnity satisfactory to the Grantor and the Trustee and shall comply with such other reasonable regulations as the Grantor or the Trustee may prescribe; and the Grantor or Trustee may charge for the issue of such new Bond or coupon an amount sufficient to reimburse the Grantor or the Trustee for the expense incurred by it in the issue thereof.

Section 2.07. Title to any coupon Bond, unless such Bond is registered in the manner hereinafter provided, and to any interest coupon, shall pass by delivery in the same manner as a negotiable instrument payable to bearer. The Grantor shall cause books for the registration and for the transfer of the Bonds as provided in this Indenture to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Grantor. At the option of the bearer, any coupon Bond may be registered as to principal alone on such books upon presentation thereof to the Trustee which shall make notation of such registration thereon. Any coupon Bond registered as to principal alone may thereafter be transferred only upon an assignment duly executed by the registered owner or his attorney in such form as shall be satisfactory to the Trustee, such transfer to be made on such books and endorsed on the Bond by the Trustee. Such transfer may be to bearer and thereby transferability by delivery shall be restored, subject, however to successive registrations and transfers as before. The principal of any Bond registered as to principal

alone, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative, but the coupons appertaining to any coupon Bond registered as to principal alone shall remain payable to bearer notwithstanding such registration.

No charge shall be made to any Bondholder for the privilege of registration, but any Bondholder requesting any such registration shall pay any tax or other governmental charge required to be paid with respect thereto.

Section 2.08. Upon surrender for transfer of any fully registered Bond at the principal office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee, the Grantor shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity for a like aggregate principal amount. Fully registered Bonds may be exchanged at said office of the Trustee for a like aggregate principal amount of coupon Bonds (or for a like aggregate amount of fully registered Bonds of other authorized denominations) of the same maturity, and coupon Bonds may be exchanged at said office of the Trustee for a like aggregate principal amount of fully registered Bonds of authorized denominations of the same maturity. All coupon Bonds surrendered for exchange and delivered in exchange shall have attached thereto all unmatured coupons appertaining thereto (together with any matured coupons in default appertaining thereto). The Grantor shall execute and the Trustee shall authenticate and deliver coupon Bonds which the Bondholder making the exchange is entitled to receive, bearing numbers not contemporaneously then outstanding. The execution by the Grantor of any fully registered Bond without coupons of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such registered Bond. The Trustee shall not be required to transfer or exchange any fully registered Bond during the period of fifteen days next preceding any interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor during a period of fifteen days next preceding publication of a notice of redemption of any Bonds. The Trustee may charge a sum not exceeding \$2.00 for any such transfer or exchange.

Section 2.09. As to any coupon Bond registered as to principal alone or as to any fully registered Bond without coupons the Grantor and the Trustee may deem and treat the person in whose name the same shall be registered as the absolute owner thereof for all purposes, whether such Bond shall be overdue or not, and payment of or on account of the principal of any such coupon Bond registered as to principal alone, or payment of either principal or interest on any fully registered Bond without coupons, shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Grantor nor

the Trustee shall be affected by any notice to the contrary. The Grantor and the Trustee may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal, and the bearer of any coupon appertaining to any Bond, whether such Bond shall be registered as to principal or not, as the absolute owner of such Bond or coupon, as the case may be, whether such Bond or coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the Grantor nor the Trustee shall be affected by any notice to the contrary.

Section 2.10. Notwithstanding anything herein or in the Bonds to the contrary, all covenants and agreements contained in this Indenture and in the Bonds on behalf of the Grantor shall be subject to the provisions of this Section 2.10. The Bonds shall be limited obligations of the Grantor, the principal of and interest on which are payable solely out of the revenues derived from the leasing of the Facility which the Bonds were issued to finance. The principal of and interest on the Bonds are secured by a pledge of the revenues from which the Bonds are payable and are additionally secured by the lien of this Indenture on the Trust Estate and are further secured by a pledge and assignment to the Trustee of the Lease. The Bonds and interest coupons shall never constitute an indebtedness of the Grantor within the meaning of any state constitutional or statutory provision or limitation and shall never constitute nor give rise to a pecuniary liability of the Grantor or a charge against its general credit or taxing powers. No breach by the Grantor of any of the terms and conditions of this Indenture shall impose any pecuniary liability upon the Grantor or any charge upon its general credit or against its taxing powers.

ARTICLE III

The Series A Bonds and Bonds of Other Series

Section 3.01. The first series of Bonds to be issued hereunder shall be entitled "Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.)" and shall be in the aggregate principal amount of Two Million Seven Hundred Thousand Dollars (\$2,700,000). The Series A Bonds are issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000, and as fully registered Bonds without coupons in denominations of \$5,000 and any multiple thereof within a maturity.

The Series A coupon Bonds shall be dated as of April 1, 1971 and shall bear interest from such date payable semi-annually on the first day of October and April of each year with the first interest payment to be made on October 1, 1971. The Series A fully registered Bonds without coupons shall be dated as of and bear interest from the next preceding interest payment date to which interest has been paid (unless issued prior to the first interest payment date in which case they shall be dated as of and bear interest from April 1, 1971 or unless issued on an interest payment date, in which case they shall be dated as of and bear interest from said interest payment date). Except as to distinguishing numbers and denominations, the Series A Bonds, in fully registered and coupon

form, the interest coupons to be annexed to coupon Bonds, and the Trustee's certificate of authentication shall be substantially in the form and be of the tenor and purport, respectively hereinbefore set forth, with appropriate insertions, omissions and changes approved by the Trustee as may be appropriate for different denominations. The Series A Bonds shall mature and shall bear interest as follows:

<u>Maturity Date</u>	<u>Principal</u>	<u>Bond Numbers</u>	<u>Interest Rate</u>
April 1, 1972	\$ 65,000	1-13	5.80%
April 1, 1973	70,000	14-27	5.80%
April 1, 1974	75,000	28-42	5.80%
April 1, 1975	80,000	43-58	5.80%
April 1, 1976	85,000	59-75	5.80%
April 1, 1977	90,000	76-93	5.80%
April 1, 1978	100,000	94-113	5.80%
April 1, 1979	105,000	114-134	5.80%
April 1, 1980	115,000	135-157	5.80%
April 1, 1981	120,000	158-181	5.80%
April 1, 1982	130,000	182-207	5.80%
April 1, 1983	140,000	208-235	5.80%
April 1, 1984	150,000	236-265	5.80%
April 1, 1985	160,000	266-297	7 %
April 1, 1986	170,000	298-331	7 %
April 1, 1987	180,000	332-367	7 %
April 1, 1988	195,000	368-406	7 %
April 1, 1989	210,000	407-448	7 %
April 1, 1990	225,000	449-493	7 %
April 1, 1991	235,000	494-540	7 %

The Series A coupon Bonds shall be numbered consecutively as above provided. Fully registered Bonds shall be numbered consecutively, each number preceded by the prefix "R" and each number corresponding to coupon Bond or Bonds of the denomination of \$5,000 represented by such registered Bond.

Section 3.02. The Trustee, forthwith upon the execution and delivery of this Indenture or from time to time thereafter upon the execution and delivery to it by the Grantor of the Series A Bonds and without any further action on the part of the Grantor, shall authenticate Series A Bonds in the aggregate principal amount of not to exceed Two Million Seven Hundred Thousand Dollars (\$2,700,000) and shall deliver them to or upon the Written Request of the Grantor.

The Grantor shall simultaneously deposit with the Trustee all of the proceeds from the sale of the Series A Bonds (including accrued interest on the Series A Bonds from their date to the date of their delivery to the purchasers) as set forth in the Written Request of the Grantor and the Trustee shall out of such proceeds:

(a) Deposit to the credit of the Interest Account established under Article IV hereof the accrued interest on the Series A Bonds from their date to the date of their delivery. It is understood that the amount so deposited shall constitute a credit to the Corporation on the then next succeeding payment or payments of Basic Rent due or to become due under the Lease.

(b) Deposit to the credit of an expense account (herein the "Expense Account") hereby created the sum of \$ _____ and pay out of such Expense Account upon the Written Request of the Grantor and (so long as the Corporation is not in default under the Lease) of the Corporation, any legal and underwriting fees and expenses, recording expenses, trustee's and depository's fees, title insurance costs and other reasonable fees and expenses incurred or to be incurred by or on behalf of the Grantor as may be necessary or incident to the financing of the Facility through the issuance and sale of the Series A Bonds. At such time as the Grantor and the Corporation shall furnish the Trustee with a letter that all such fees and expenses have been paid, the Trustee shall transfer any moneys remaining in such account to the Construction Fund Account.

(c) Pay to the Corporation the sum of \$ _____ as the purchase price of the Facility site.

(d) Pay to the Trustee, as depository under the terms of the Construction Deposit Agreement the balance of the proceeds from the sale of the Bonds. The Grantor has simultaneously with the delivery hereof executed a Construction Deposit Agreement with the Depository. Such Construction Deposit Agreement provides for the disbursement of part of the proceeds of the Bonds for the purpose of constructing the Facility. It is understood and agreed that the Trustee hereunder shall be entitled to the benefit of the provisions of the Construction Deposit Agreement and that the same will not be altered or changed except with the consent of (i) the Trustee, and (ii) the Corporation so long as the Corporation is not in default under the Lease. The Trustee (with the concurrence of the Corporation so long as it is not in default under the Lease) may consent to amendments and changes in the Construction Deposit Agreement upon the request of the Grantor and upon the report of an Independent Engineer or Independent Architect to the effect that the change or changes to be consented to will not be detrimental to the interests of the holders of the Outstanding Bonds or upon the prior written consent of the holders of 51% in aggregate principal amount of the Outstanding Bonds.

Section 3.03. Subject to the provisions of this Article III, Bonds of any series other than Series A Bonds shall contain such variant provisions, if any, as to date, maturity or serial maturities, interest rate or interest rates, redemption, shall be entitled to such sinking fund provisions and shall be limited to such aggregate principal amount, if any, as shall be determined by resolution of the Board of Directors of the Grantor and set forth in an indenture supplemental hereto at the time any such other series is created.

Section 3.04. Bonds of additional series other than Series A Bonds shall be fully registered Bonds and/or coupon Bonds which may or may not be registrable as to principal, shall be of such denomination or denominations and shall be in such form or forms, not substantially different from the form of Series A Bonds, except as may be occasioned by variant provisions applicable to such series. Bonds of any series may be endorsed with such notations or legends as may be required

by any indenture supplemental hereto, or as may be required to conform to usage or law and be approved by the Trustee.

Section 3.05. Subject to the provisions of Section 3.06, one or more series of Bonds in addition to the Series A Bonds may be authenticated and delivered from time to time when authorized by resolution or resolutions of the Board of Directors of the Grantor which shall specify:

- (a) The authorized principal amount of such series, the designation and denomination or denominations thereof and the directions for the authentication and delivery of the Bonds upon payment of the purchase price therein set forth.
- (b) The purposes for which such series are being issued.
- (c) The date of such series and maturity dates and amounts of the Bonds thereof.
- (d) The interest rate or rates of such series and the interest payment dates therefor, provided that the interest rate or rates shall be identical for all Bonds of a like maturity in such series and the interest payment dates shall be semiannual and shall be identical for all Bonds of a series.
- (e) The redemption premium and redemption term, if any, for such Bonds.
- (f) Any other matters deemed appropriate or necessary by the Board of Directors of the Grantor and not inconsistent with the provisions of this Indenture.

Section 3.06. So long as no event of default shall be continuing hereunder, the Grantor may issue additional Bonds under this Indenture pursuant to the provisions and limitations herein set forth, provided, however, that in no event shall the Grantor issue any additional Bonds hereunder if as a result of the issuance thereof the interest on the Series A Bonds or the Bonds of additional series will not be fully excludable from the gross income of the recipients thereof under Section 103 of the Internal Revenue Code of 1954 as amended after giving effect to the provisions and limitations provided in Section 103 (c) (6) (or any modification thereof or similar provision hereafter enacted) of the Internal Revenue Code of 1954, as amended. The Bonds of each series other than Series A Bonds shall be executed by the Grantor and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to or upon the Written Request of the Grantor for the purpose of paying the "cost" (as defined in the Act) of additional "Projects" (as defined in the Act) to be leased to the Corporation, provided, however, that such facilities shall be additions and improvements to the Facility originally acquired with the proceeds of the Series A Bonds, but only upon receipt by the Trustee of:

- (a) A Certified Resolution referred to in Section 3.05 hereof and a Certified Resolution of the Grantor authorizing or ratifying the supplemental instrument referred to in paragraph (b) of this Section 3.06, and authorizing or ratifying a supplemental indenture authorizing the new series and pledging and assigning all rights of the Grantor under such supplemental instrument and the additional basic rent for such series to the Trustee.
- (b) An executed counterpart of a supplemental instrument executed by the Grantor and the Corporation pursuant to Section 20.03 of the Lease containing a schedule of payments of basic rent which are not less than the payment of principal and interest, when due, for such series.
- (c) An executed counterpart of a supplemental indenture setting forth the provisions of the new series and subjecting to the lien hereof any and all property paid for with the proceeds of such new series of Bonds and pledging and assigning all the right, title and interest of the Grantor in and to the supplemental instrument referred to in subparagraph (b) of this Section 3.06 and pledging and assigning to the Trustee the additional basic rent and all rights of the Grantor under said supplemental instrument.
- (d) An Opinion of Counsel to the effect that (i) such Bonds are valid and binding obligations of the Grantor and enforceable in accordance with their terms and the terms of this Indenture, subject to bankruptcy and insolvency laws, (ii) such Bonds have been duly and validly authorized and issued in accordance with law and this Indenture and the Lease; and that the interest upon such Bonds is excludable from the gross income of the recipients thereof under existing statutes; (iii) the Lease has been effectively supplemented by the supplemental instrument referred to in subparagraph (b) of this Section 3.06 and the Lease as supplemented is valid and binding on the Grantor and the Corporation, subject to bankruptcy and insolvency laws; and (iv) the Indenture constitutes a valid first mortgage lien on the property described in the granting clause thereof, as supplemented and amended, subject only to the rights of the Corporation under the Lease, to Permitted Liens and to encumbrances, rights and interests which will not weaken, diminish or impair the security intended to be given by or under this Indenture and will not interfere with the use and operation of the Facility; and that all rights of the Grantor

under said supplemental instrument and all Basic Rent payable under the Lease, as so supplemented are effectively assigned to the Trustee for the security of the Bonds issued hereunder.

- (e) An Officers' Certificate of the Grantor stating that no Bonds have been theretofore issued on the basis of the supplemental instrument referred to in subparagraph (b) of this Section 3.06 and that on the date of the authentication and delivery of such Bonds neither the Grantor, nor the Corporation is in default in the performance or observance of any of the covenants, conditions, agreements or provisions of this Indenture or the Lease.
- (f) A copy of the resolution or resolutions of the Board of Directors of the Corporation, authorizing or ratifying the supplemental instrument referred to in subparagraph (b) of this section 3.06 certified by the Secretary or an Assistant Secretary of the Corporation.
- (g) An Officers' Certificate of the Corporation stating that such corporation approves the issuance of the Bonds of the new series and is not in default in the performance or observance of any of the covenants, conditions, agreements or provisions of the Lease.
- (h) The purchase price of the Bonds being delivered as stated in the resolution referred to in Section 3.05 hereof.
- (i) A Written Request of the Grantor for the authentication and delivery of such Bonds.
- (j) A standard ALTA mortgage title insurance policy in an amount of insurance at least equal to the principal amount of the Bonds of the additional series, insuring the Trustee and the holder or holders of the Bonds issued and secured under this Indenture.

Section 3.07. All Bonds of all series from time to time authenticated and delivered under this Indenture shall be equally and ratably secured both as to principal, premium, if any, and interest by this Indenture.

ARTICLE IV

Accounts and Investment of Funds

Section 4.01. The following accounts are hereby created and the funds deposited therein shall be held by the Trustee in trust for the purposes set forth in this Article:

- (a) Revenue Account

(b) Interest Account

(c) Bond Retirement Account

Section 4.02. The Basic Rent to be paid by the Corporation pursuant to the terms of the Lease is assigned hereunder by the Grantor to the Trustee so that such moneys shall be paid by the Corporation directly to the Trustee and the Trustee shall credit the Basic Rent paid pursuant to Article IV of the Lease to the Revenue Account.

Section 4.03. The Trustee shall transfer from the Revenue Account in the following order the following amounts at the times and in the manner hereinafter provided for, to wit:

- (a) Interest Account. The Trustee shall transfer from the Revenue Account to the Interest Account, not less than three business days prior to each interest payment date, an amount which, together with such other money as may be on deposit in such Account, will be equal to the interest becoming due and payable on the Outstanding Bonds on said interest payment date. Moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable.
- (b) Bond Retirement Account. The Trustee shall transfer from the Revenue Account to the Bond Retirement Account not less than three business days prior to each date when Bonds of any series shall become due by their terms, the principal amount of the Bonds of such series becoming so due. In the case of the Series A Bonds such dates and amounts shall be as follows:

<u>Date</u>	<u>Amount</u>
April 1, 1972	\$ 65,000
April 1, 1973	70,000
April 1, 1974	75,000
April 1, 1975	80,000
April 1, 1976	85,000
April 1, 1977	90,000
April 1, 1978	100,000
April 1, 1979	105,000
April 1, 1980	115,000
April 1, 1981	120,000
April 1, 1982	130,000
April 1, 1983	140,000
April 1, 1984	150,000
April 1, 1985	160,000
April 1, 1986	170,000
April 1, 1987	180,000
April 1, 1988	195,000
April 1, 1989	210,000
April 1, 1990	225,000
April 1, 1991	235,000

Moneys in the Bond Retirement Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it shall become due and payable at stated maturity.

Section 4.04. All moneys received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to the lien or attachment of any creditor of the Grantor or the Corporation. Such moneys shall be held in trust and applied in accordance with the provisions of this Indenture.

Moneys deposited under any Construction Deposit Agreement not required for the purposes specified therein, when received by the Trustee from the Depositary, shall be deposited by the Trustee in the Revenue Account and shall constitute a credit to the Corporation on the next succeeding payment or payments of Basic Rent.

Section 4.05. Substantially all moneys in any of the accounts to be established by the Trustee pursuant to Article IV of this Indenture shall be invested and reinvested by the Trustee in Qualified Investments (as defined in Section 1.01 hereof) if and to the extent requested so to do by the Written Request of the Grantor and the Corporation so long as the Trustee shall not have knowledge of a default by the Corporation under the Lease. Any interest, profit or loss on investments made pursuant to this Section 4.05 shall be credited or charged to the Revenue Account and are to constitute a credit to the Corporation which shall reduce the next succeeding payment or payments of rental by the Corporation to the Trustee. Pursuant to Schedule B of the Lease any losses on such investments are to be made up by the Corporation and any moneys paid to the Trustee by the Corporation for such purpose shall be deposited in the account or accounts with respect to which, and to the extent that, such losses were incurred. The Trustee shall sell or present for redemption any investment whenever it shall be necessary in order to provide money to meet any payment hereunder and the Trustee shall not be liable or responsible for any loss resulting from such sale.

When all of the Bonds shall have been paid in full, any money remaining in any of the accounts established under this Indenture shall be paid to the Corporation.

Section 4.06. A mortgage title insurance policy has been issued by _____ insuring the Trustee for the benefit of the holders of the Bonds. In the event that payment is made to the Trustee under said policy the Trustee shall apply such moneys for the purpose of redeeming Bonds in the manner, upon the terms and at the premium provided for in Section 5.04 hereof.

ARTICLE V

Redemption of Bonds

Section 5.01. There is hereby created a Bond Redemption Account and any and all moneys deposited therein shall be held by the Trustee in trust for the purpose of re-

deeming Bonds when redeemable as hereinafter provided. Under the terms of Section 4.06 of this Indenture and of Sections 4.02, 11.02, 11.03, 12.01, 12.02, 22.01, 22.03 and 22.04 of the Lease, moneys are to be paid to the Trustee and shall be deposited by the Trustee in the Bond Redemption Account to be used for the purpose of redeeming Bonds when redeemable. The Series A Bonds shall be so redeemable pursuant to the provisions of Sections 5.03, 5.04 and 5.05 hereof and Bonds of other series shall be so redeemable pursuant to the provisions of Section 5.11 hereof. The Grantor covenants that any and all such moneys received by it which are to be used to redeem Bonds shall be paid to the Trustee under this Indenture and in such event, the Trustee shall use any and all moneys deposited in the Bond Redemption Account to redeem Bonds when and as the Bonds shall in accordance with their terms be redeemable.

Section 5.02. Moneys held by the Trustee pursuant to Section 5.01 shall be invested and reinvested by the Trustee in direct obligations of the United States of America maturing not later than the earliest date on which the Bonds are redeemable, and interest, profit, or loss on such investments shall be credited or charged to the Revenue Account. So long as the Trustee shall not have knowledge of a default under the Lease, moneys so credited to the Revenue Account are to constitute a credit to the Corporation and shall reduce the next succeeding payment or payments of rental to the Trustee. In no event shall moneys be deposited in any accounts created hereunder or invested pursuant to the provisions of this Indenture if such deposit or investment shall cause any Bond to be an "arbitrage bond" within the meaning of Section 103 (d) (2) of the Internal Revenue Code of 1954, as amended.

Section 5.03. The Series A Bonds maturing on April 1, 1982 and thereafter may be redeemed, at the option of the Grantor, in whole or in part, in inverse numerical order on April 1, 1981 and on any interest payment date thereafter at the principal amount of the Series A Bonds so to be redeemed, and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount less 1/2 of 1% for each one year period elapsed from and including the first day of April, 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

Section 5.04. The Series A Bonds are also redeemable and the Trustee is hereby directed to use moneys received by it pursuant to the provisions of Sections 11.02, 11.03, 12.01, 12.02 and 22.01 (b) of the Lease or Section 4.06 of this Indenture for the purpose of redeeming Series A Bonds. The Series A Bonds shall be subject to redemption through the application of such moneys at any time on or after the date hereof, in inverse numerical order at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount less (in the case of any redemption after April 1, 1981) 1/2 of 1% for each one year period elapsed from and including the first day of April in 1981 to the date of redemption, but in no event at less than the principal amount thereof plus accrued interest to the date of redemption.

Section 5.05. The Series A Bonds are also redeemable and the Trustee is hereby directed to use moneys received by it pursuant to the provisions of Section 22.01 (a) of the Lease for the purpose of redeeming Series A Bonds. The Series A Bonds shall be subject to redemption through the application of such moneys at any time on or after the date hereof, in whole and not in part, at the principal amount of the Series A Bonds to be redeemed and accrued interest thereon to the date of redemption plus a premium of 5% of such principal amount, plus an additional premium, if any, determined by multiplying one-third of the 12 months interest on each Series A Bond redeemed by the number of 180 day periods, or fraction thereof, between the date as of which interest on the Series A Bonds is taxable and the earliest possible date of redemption or the earlier payment date of any Series A Bond which shall have been paid (whether at maturity or by redemption) subsequent to the date as of which interest on the Series A Bonds is taxable and prior to the earliest possible redemption date (less any optional redemption premium previously paid on any such Series A Bond).

If it shall occur that any Series A Bond shall have been paid subsequent to the date as of which such interest on the Series A Bonds became taxable, but prior to the redemption of the Series A Bonds from the purchase price derived from the mandatory purchase of the Project by the Lessee pursuant to Section 22.01(a) of the Lease, then in such event the holder of any such Series A Bond on the occasion of its payment (whether at maturity or by redemption) shall be entitled to receive from the purchase price to be paid by the Lessee pursuant to Section 22.01(a) of the Lease a premium computed as aforesaid to the date of payment or redemption, less any optional redemption premium previously paid on such Bond.

Section 5.06. Redemption of Series A Bonds through the application of moneys received pursuant to Sections 11.02, 12.02, 22.01 and 22.03 of the Lease must be sufficient to redeem the Series A Bonds as a whole, but redemption of Series A Bonds through the application of moneys received pursuant to Sections 4.02, 11.03, 12.01 or 22.04 of the Lease or Section 4.06 of this Indenture may redeem the Series A Bonds in part or as a whole.

Section 5.07. In the event the Grantor shall elect to redeem the Series A Bonds pursuant to Section 5.03 hereof, the Grantor shall, at least 15 days prior to the date upon which the notice of redemption provided for in Section 5.08 hereof is to be given, notify the Trustee in writing of such election, stating the aggregate principal amount of the Series A Bonds to be redeemed.

Section 5.08. Notice of redemption shall be given by publication by the Trustee at least once in an Authorized Newspaper, the publication to be not less than 30 nor more than 60 days before the redemption date. If any Bond called for redemption is registered as to principal, notice of redemption thereof shall also be mailed by first class mail not less than 30 nor more than 60 days prior to the redemption date, to each registered owner of such Bond, but neither failure to mail such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds. Each notice of redemption shall state the redemption date, the place of redemption, the principal amount and if less than all of a serial maturity, the distinctive numbers of the Bonds to be redeemed, and shall also state that the interest on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Bonds the principal amount thereof to be redeemed, interest accrued thereon to the redemption date and the premium, if any, thereon (such premium to be specified). If at the time of giving notice of redemption, no Bonds are outstanding hereunder except Bonds registered as to principal, publication of such notice shall be deemed to have been waived if such notice shall have been mailed first class postage prepaid to the registered owner or owners of such Bonds.

Section 5.09. Notice having been given in the manner and under the conditions hereinabove provided, and moneys for payment of the redemption price being held by the Trustee as provided in this Indenture (i) the Bonds, or portions thereof so called for redemption shall, on the redemption date designated in such notice, become due and payable at the redemption price provided for redemption of such Bonds or por-

tions thereof on such date and interest on the Bonds or portions thereof so called for redemption shall cease to accrue, (ii) the coupons for interest thereon maturing subsequent to the redemption date shall be void, (iii) such Bonds or portions thereof shall cease to be entitled to any lien, benefit or security under this Indenture, and (iv) the holders of said Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All unpaid interest installments represented by coupons which shall have matured on or prior to the date of redemption designated in such notice shall continue to be payable to the bearers severally and respectively upon the presentation and surrender of such coupons. Bonds or portions thereof, if called only in part, so redeemed and all unmatured coupons appertaining thereto, if any, shall be cancelled upon surrender thereof.

Section 5.10. In the case of Bonds in fully registered form of denominations greater than \$5,000, if less than all of the Bonds then outstanding are to be called for redemption, then for all purposes in connection with redemption, each \$5,000 of face value shall be treated as though it was a separate Bond of the denomination of \$5,000 bearing one of the numbers borne by such registered Bond. If it is determined that one or more, but not all of the \$5,000 units of face value represented by any Bond in fully registered form is to be called for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the owner of such fully registered Bond shall forthwith surrender such Bond to the Trustee (1) for payment of the redemption price (including the redemption premium and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption and (2) exchange for a new Bond or Bonds of the aggregate principal amount of the unredeemed balance of the principal amount of such fully registered Bond, and such new Bond or Bonds shall be numbered corresponding to the numbers of the \$5,000 units of face value not called for redemption. New Bonds representing the unredeemed balance of the principal amount of such fully registered Bond shall be issued to the registered owner thereof, without charge therefor. If the owner of any such Bond in fully registered form of a denomination greater than \$5,000 shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only); interest shall cease to accrue on the portion of the principal amount of such Bond represented by such \$5,000 unit or units of face value on and after the date fixed for redemption, and (funds sufficient for the payment of the redemption price having been deposited with the Trustee, and being available for the redemption of said units on the date fixed for redemption) such Bond shall not be entitled to the benefit or security of this Indenture to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption) represented by such \$5,000 unit or units of face value, nor shall new Bonds be thereafter issued corresponding to said unit or units.

Section 5.11. Bonds of each other series are redeemable in the manner, at the time or times and at the premiums, if any, specified in the supplemental indenture relating to such series.

ARTICLE VI

Covenants of the Grantor and Release of Property

Section 6.01. (A) The Grantor agrees to cause the Corporation to procure and maintain insurance of the type required to be procured and maintained by the Corporation under Article IX of the Lease. Insurance of the type required by Section 9.02 of the Lease shall be payable to the Trustee as provided in the Lease. All such insurance moneys received by the Trustee shall be held by it as a part of the mortgaged property and shall be used by it in the manner provided in this Section 6.01. Certificates from insurers evidencing the existence of all policies required by Article IX of the Lease shall be filed with the Trustee to the extent required by Section 9.06 of the Lease together with a certificate of a person acceptable to the Trustee reciting that the amounts and types of insurance comply with the requirements of the Lease.

If all or any part of the Facility shall be destroyed or damaged and the Corporation repairs, rebuilds, replaces, restores or reconstructs the damaged Facility pursuant to the provisions of Section 12.01 of the Lease, the Trustee shall pay to the Corporation from time to time during the course of such repairs, rebuilding, replacing and restoring, the proceeds received and held by it on account of such damage or destruction up to the full amount of such insurance proceeds, and the balance if any, shall be deposited in the Bond Redemption Account to be used for the redemption of Bonds. Such payments shall be made upon receipt of an Officers' Certificate of the Corporation accompanied by an approving certificate of an engineer or architect employed by the Corporation or the Grantor stating that the Corporation has repaired, rebuilt, replaced, restored or reconstructed the damaged Facility in such manner as to restore the Facility, or portion thereof, to at least the value thereof prior to such damage or destruction, that such repair, rebuilding, replacement, restoration and reconstruction has been completed, or a portion thereof has been completed, that the cost thereof was the amount stated in such certificate and the Officers' Certificate of the Corporation shall state that the Corporation is not in default under the Lease.

Upon completion of such repairs, rebuilding, replacement, restoration or reconstruction, the Corporation shall furnish to the Trustee (i) an Opinion of Counsel specifying the instruments of further assurance and supplemental indenture, if any, which will be sufficient to subject to the direct lien of this Indenture (so far as permitted by law) all of the Grantor's right, title and interest in and to the repaired, rebuilt, replaced, restored or reconstructed Facility and stating that the instruments and supplemental indenture, if any, have been recorded or filed in such a manner so as to constitute this Indenture as supplemented and amended a valid first mortgage lien upon all of the Grantor's right, title and interest in and to all such property as against all credi-

tors and subsequent purchasers, subject to the rights of the Corporation under the Lease, to Permitted Liens and to rights and interests which in the opinion of such counsel will not weaken, diminish or impair the security intended to be given by or under this Indenture and will not interfere with the use and operation of the Facility, and (ii) the instruments of further assurance and supplemental Indenture specified in such Opinion.

If all or any part of the Facility shall be destroyed or damaged while any Bonds are outstanding and the Corporation purchases the Leased Premises and delivers and pays to the Trustee the certificate and amount required to be delivered and paid by it pursuant to the provisions of Section 12.02 of the Lease, the Trustee shall pay to the Corporation in accordance with the provisions of Section 12.02 of the Lease any insurance proceeds received and held by it on account of such damage or destruction to the Facility.

(B) If the entire Facility or any part thereof which is sufficient to render the remaining portion unsatisfactory for the Corporation's business purposes is taken by condemnation while any Bonds remain outstanding and the Lessee purchases the Leased Premises and delivers and pays to the Trustee the certificate and amount required to be delivered and paid by it pursuant to the provisions of Section 11.02 of the Lease, the Trustee shall pay to the Corporation in accordance with the provisions of Section 11.02 of the Lease any condemnation award received and held by it on account of such taking.

(C) If a portion of the Facility which is less than that referred to in paragraph (B) of this Section 6.01 is taken by condemnation while any Bonds remain outstanding, the Trustee shall be furnished with the following:

- (1) An Officers' Certificate of the Corporation stating that the Corporation has made the necessary adjustments in the Facility suitable for its business purposes, that such adjustments have been completed and the cost thereof, or stating that no adjustments were required, as the case may be; and
- (2) a certificate of the Grantor stating either that the Grantor has incurred expenses in collecting the award and the amount of such expenses or that no such expenses have been incurred; and
- (3) the instruments of further assurance and supplemental indenture, if any, specified in the Opinion of Counsel referred to in the following clause (4); and
- (4) an Opinion of Counsel specifying the instruments of further assurance and supplemental indenture, if any, which will be sufficient to subject to the direct lien of this Indenture (so far as permitted by law) all of the Grantor's right, title and interest in and to the Facility, and stating that the instruments and supplemental indenture, if any, have been recorded or filed in such a manner as to constitute this Indenture as supplemented and amended a valid first mortgage lien

upon all of the Grantor's right, title and interest in and to such property as against all creditors and subsequent purchasers, subject to the rights of the Corporation under the Lease, to Permitted Liens and to rights and interests which in the opinion of such counsel will not weaken, diminish or impair the security intended to be given by or under this Indenture and will not interfere with the use and operation of the Facility.

Upon receiving such items the Trustee shall, out of any condemnation award received and held by it on account of such taking:

- (a) pay to the Grantor the amount of any expenses stated in the certificate of the Grantor to have been incurred by the Grantor in collecting such award;
- (b) pay to the Corporation the amount of costs stated in the Officers' Certificate of the Corporation to have been incurred by it in making the adjustment; and
- (c) deposit the balance, if any, into the Bond Redemption Account to be used for the redemption of Bonds in accordance with the provisions of Article V hereof.

Section 6.02. (a) The Trustee shall execute and deliver a release of any unimproved portion of the Trust Estate from the lien of this Indenture, but only pursuant to the provisions of Section 22.04 of the Lease, upon receipt by the Trustee of the following, all in form and substance satisfactory to the Trustee:

- (i) cash equal to the purchase price for the portion to be released as provided for in said Section 22.04 of the Lease;
- (ii) A notice in writing containing (i) an adequate legal description of that portion of the Trust Estate with respect to which such option is to be exercised and (ii) a statement that the Corporation intends to exercise its option to purchase such portion of the Trust Estate on a date stated, which shall not be less than 45 nor more than 90 days from the date of such notice;
- (iii) a certificate of an independent engineer who is acceptable to the Trustee, dated not more than 90 days prior to the date of the purchase and stating that, in the opinion of the person signing such certificate, (i) the portion of the Trust Estate with respect to which the option is exercised is not needed for the operation of the Trust Estate for the purposes hereinabove stated and (ii) the purchase will not impair the usefulness of the

Facility as a computer and research center and will not destroy the means of ingress thereto and egress therefrom; and

- (iv) the request of the Grantor for such release accompanied by a form of release to be so executed and delivered by the Trustee.

Payments received by the Trustee pursuant to this Section 6.02 (a) shall be deposited in the Bond Redemption Account to be used for the redemption of Bonds in accordance with the provisions of Article V hereof.

The Trustee shall at the request of the Grantor or of the Corporation release and confirm that any such real property is no longer subject to the lien of this Indenture upon compliance with the applicable provisions of the Lease.

(b) The Grantor may at any time or times grant easements affecting, dedicate or convey and execute petitions with respect to, any portion or portions of any property included in the Trust Estate free from the lien of this Indenture or subordinate thereto but only as provided in and subject to the provisions of Section 22.06 of the Lease, and the Trustee shall execute and deliver a release of said portion from the lien of this Indenture upon receipt by the Trustee of:

- (i) an Opinion of Counsel, in form and substance satisfactory to the Trustee, to the effect that the action taken or proposed to be taken by the Grantor and the Corporation is in conformity with Section 22.06 of the Lease relating to such property;
- (ii) an Officers' Certificate of the Corporation stating that the conveyance of said portion does not adversely affect the market value of the remaining portion thereof, nor the use of such remaining portion in the Corporation's business; and
- (iii) an undertaking of the Corporation in form and substance satisfactory to the Trustee, to the effect that the Corporation shall remain obligated under the terms of the Lease to the same extent as if said conveyance had not been made and that the Corporation shall, if necessary, restore and rebuild said property to good condition and repair.

Section 6.03. Subject to the provisions of Sections 2.10 and 6.20 hereof, the Grantor covenants that it will promptly pay the principal of and interest on every Bond issued under the provisions of this Indenture at the places, and the dates and in the manner provided herein and in said Bonds and in any coupons appertaining to said Bonds, and any premium required for the retirement of said Bonds by purchase or redemption, according to the true intent and meaning thereof and subject to the provisions of Article IV hereof, at least one

business day before each date on which any principal of or premium if any, or interest on any of the Bonds becomes payable whether at stated maturity thereof, by call for redemption, by declaration, or otherwise the Grantor will irrevocably deposit with the Trustee under the trusts hereof, the entire amount necessary to pay all the principal, premium, if any, and interest payable on such date on all Bonds then outstanding; and that it will pay interest (to the extent enforceable under applicable law) on any over-due installments of principal or interest at the highest rate the Bonds shall bear.

Section 6.04. So long as any of the Bonds shall remain outstanding, the Grantor will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any Bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Grantor, then anything in this Indenture contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of all Bonds issued hereunder, premium, if any, thereon, and of such interest coupons and claims for interest as shall not have been so extended.

Section 6.05. The Grantor covenants that while any Bonds are outstanding hereunder and so long as no default exists under the Lease in the payment of the rental therein provided, moneys received by it from rentals under the Lease and from all services rendered by the Grantor in connection with the operation of the Facility will, in aggregate, produce revenues which will be sufficient (i) to pay all expenses (except those assumed by Lessee) of the proper operation, maintenance and repair of the Facility without any allowance or deduction for interest or depreciation, and (ii) to make all payments which the Trustee is obligated to set aside in the various Accounts established under Article IV.

Section 6.06. The Grantor covenants and agrees and hereby appoints the Trustee to keep or cause to be kept proper books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocation and application of the revenues accruing to the Trust Estate and amount thereof forwarded to the Trustee, and such books shall be available for inspection by the holder of any of the Bonds at reasonable hours and under reasonable conditions.

Section 6.07. The Trustee shall prepare a statement for each fiscal year of all transactions relating to the operation of the Trust Estate and the application and allocation of the revenues thereof. Not more than two months after the close of each fiscal year of the Grantor, the Trustee shall furnish to the Grantor and to each holder of any of the Bonds, who may so request, a complete financial statement covering receipts, disbursements, allocation and application of revenues for such

fiscal year accruing to the Trust Estate and dates and amount thereof forwarded to the Trustee for such fiscal year and, if requested in writing by the holders of not less than forty per cent (40%) in principal amount of the Outstanding Bonds, certified as of the end of such fiscal year by reputable certified public accountants. The Trustee shall at all times have access to the books and records of the Grantor. Also, the records of the Trustee pertaining to the issue shall be available to and open for inspection by any Bondholder, and the Grantor covenants that it shall promptly furnish the Trustee such additional information as is deemed necessary by the Trustee to carry out the provisions of this Indenture and the trust created hereby.

Section 6.08. The Grantor covenants that all charges made by the Trustee for services rendered and for payment of principal of and interest on the Bonds (not paid by Lessee), will be paid by the Grantor from revenues of the trust estate and will not be required to be paid by the holders of the Bonds or coupons.

Section 6.09. The Grantor covenants that so long as any Bonds are outstanding hereunder, it will retain good title to the trust estate, subject to the provisions of the Lease and this Indenture, and that it will use its best efforts to assure that the Facility is fully and continuously occupied by a responsible tenant or responsible tenants. The Grantor covenants that it lawfully owns and is lawfully possessed of all property described in the granting clauses hereof as being a part of the trust estate, and, in the case of the realty described in granting clause Division I, subject to presently existing liens described in Schedule A hereto, has a good and indefeasible estate therein in fee simple; that it warrants and will defend the title thereto and every part thereof to the Trustee, its successors and assigns, for the benefit of the holders and owners of the Bonds, against the claims and demands of all persons whomsoever; that it is duly authorized to secure the payment of the Bonds in the manner prescribed herein, and has lawfully exercised such rights; and that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, deeds, conveyances, mortgages and transfers as the Trustee shall reasonably require for the better assuring, conveying, transferring, mortgaging, pledging, assigning and confirming unto the Trustee all and singular the hereditaments and premises, estates, income and property conveyed, transferred, mortgaged, pledged or assigned or intended so to be. The Grantor covenants that it will not, directly or indirectly, create, assume, incur or suffer to exist any mortgage, pledge, encumbrance, lien or charge of any kind, other than the lien of this Indenture, upon the Trust Estate and presently existing liens described in Schedule A hereto and liens herein permitted.

Section 6.10. The Grantor covenants that there shall be no default hereunder but until default shall be made by the Grantor, as provided for herein, the Grantor shall, subject to the Lease, be entitled to possess, manage, operate, use and enjoy the facilities and property herein encumbered. The Grantor covenants and agrees that it will not except as permitted

herein mortgage, encumber, hypothecate, sell, transfer, assign or otherwise dispose of all or any part of the Facility or the revenues and receipts thereof (other than to the Trustee hereunder) or assign, transfer or hypothecate (other than to the Trustee hereunder) any Basic Rent payment then due or to accrue in the future under the Lease. The Grantor further covenants and agrees that except as permitted herein it will not create or consent to the creation or existence of any mortgage or lien (other than this Indenture) to secure the payment of indebtedness upon the Lessor's interest under the Lease or the leasehold estate created thereby or any part thereof.

Section 6.11. (a) The Grantor covenants and agrees (i) to perform and discharge each and every obligation, covenant and agreement of the Grantor contained in the Lease; (ii) to give prompt notice to the Trustee of any notice, request, report or other document received from Lessee, together with an accurate and complete copy thereof; (iii) at the sole cost and expense of the Grantor and subject to the limitations contained in this Section 6.11 and to the power conferred in Section 6.12 hereof, enforce or secure the performance of each and every obligation, covenant, condition and agreement of Lessee contained in the Lease.

(b) Except as otherwise expressly permitted herein, the Grantor shall not: (i) modify or in any way alter the terms of the Lease; (ii) waive, excuse or in any manner release or discharge Lessee of or from any of its obligations, covenants, conditions and agreements, including the obligation to pay rental called for in the Lease in the manner and at the place and at the time specified therein; (iii) grant any consents, approvals, or permissions or exercise any of its rights, options, elections or privileges (as distinguished from duties) as Lessor; and any attempt on the part of the Grantor to exercise any of the aforesaid powers, privileges, or rights shall be of no force or effect and shall constitute a default hereunder.

(c) The Grantor shall, at its sole cost and expense, appear in and defend any action or proceedings arising under, growing out of or in any manner connected with the Lease or the obligations, duties or liabilities of the Grantor, as Lessor, or of Lessee, as lessee, and shall pay all costs and expenses of Trustee in any such action or proceeding in which the Trustee may appear.

(d) Should the Grantor fail to make any payment or to do any act as herein provided within the time permitted herein or in the Lease, then the Trustee, but without obligation so to do and without notice to or demand on the Grantor, and without releasing the Grantor from any obligation contained herein, shall have the right to make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security hereof, including, specifically, without limiting its general powers; (1) the right to appear in and defend any action or proceeding proposing to affect the security hereof or the rights or powers of the Trustee; and (ii) the right to perform and discharge each and every obligation, covenant and agreement of the Grantor contained in the Lease.

Section 6.12. The Grantor covenants and agrees that the Trustee shall at any and all times have the power to exercise any of the rights, powers or privileges of the Grantor under the Lease including, but without limiting the generality of the foregoing, the right (i) to grant consents, approvals or permissions (ii) to declare an event of default, (iii) to exercise any and all remedies provided for therein, (iv) to exercise any and all rights of entry, and (v) to perform the Grantor's covenants as provided for therein.

Section 6.13. The Grantor covenants that it is, at the date of the execution and delivery of the Series A Bonds and will be so long as any Bonds are outstanding hereunder, lawfully possessed of the trust estate (subject to the rights of Lessee under the Lease); that the Grantor has good right, full power and lawful authority to grant, bargain and assign, and to transfer in trust, convey and pledge the trust estate in the manner and form herein provided; and that the Grantor forever will warrant and defend the title to the same to the Trustee against the claims of all persons whomsoever except for claims arising from restrictions or encumbrances set forth on Schedule A hereto attached.

The Grantor and the Trustee shall, without the consent of or notice to the holders of the Outstanding Bonds, consent to any amendment, change or modification of the Lease as may be required (i) by the provisions of the Lease and this Indenture, (ii) in connection with the issuance of additional Bonds as specified in Article III hereof, (iii) for the purpose of curing any ambiguity or formal defect or omission, or (iv) in connection with the release of real estate pursuant to provisions of Section 22.04 of the Lease.

Except for the amendments, changes or modifications as hereinabove provided in this Section 6.13, neither the Grantor nor the Trustee shall consent to any other amendment, change or modification of the Lease, without the written approval or consent of the holders of not less than two-thirds in aggregate principal amount of the Outstanding Bonds, provided, however, that no such modification of the Lease shall result in the violation of any terms and provisions of Section 10.02 hereof.

To the extent permitted by law, the Grantor covenants and agrees that it will not engage in any activities or take any action which might result in the income of the Grantor becoming taxable to it or any interest payment on the Bonds becoming taxable to the recipient thereof under the federal income tax laws.

Section 6.14. The Grantor covenants that it will in all respects promptly and faithfully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements of the Lease to be kept, performed and complied with by it. The Grantor further covenants that it will not do or permit anything to be done, or omit or refrain from doing anything in any case where any such act done, or permitted to be done,

or any such omission of or refraining from action would or might be a ground for declaring a forfeiture of the Lease; that the Grantor will pay (or cause Lessee to pay) all taxes, assessments and other charges, if any, that may be levied, assessed or charged upon the trust estate, or any part thereof, promptly as and when the same shall become due and payable, but it shall not be a breach of this covenant if the Grantor fails to pay any such tax, assessment or charge during any period in which the Grantor or Lessee, in good faith, shall be contesting the amount or validity of such tax, assessment or charge; and that the Grantor will not suffer said trust estate hereby conveyed and transferred in trust, or any part thereof, to be sold for any taxes, assessments or other charges whatsoever, or to be forfeited therefor, nor do or permit to be done, in, upon or about said trust estate, or any part thereof, anything that might in anywise weaken, diminish or impair the security intended to be given by or under this Indenture, nor suffer any portion of the trust estate to be sold under any proceeding.

Section 6.15. The Grantor further covenants to maintain the Facility or cause it to be maintained in good repair and condition, ordinary wear and tear excepted, and not to commit or allow any waste.

Section 6.16. The Grantor further covenants to promptly take such actions as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the trust estate or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions, and other proceedings as may be appropriate for such purpose and to indemnify and save the Trustee and every Bondholder harmless from all loss, cost, damage and expense, including attorney's fees, which they or either of them may incur by reason of any such defect, cloud, suit, action or proceedings.

Section 6.17. The Grantor will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all and every such further acts, deeds, conveyances, mortgages, assignments, transfers and assurances as the Trustee shall require, for the better assuring, conveying, mortgaging, assigning and confirming unto the Trustee all and singular the Trust Estate hereby mortgaged, conveyed or assigned or intended so to be, or which the Grantor may be or may hereafter become bound to mortgage, convey or assign to the Trustee, or for carrying out the intention or facilitating the performance of the terms of this Indenture or the Lease.

Section 6.18. The Grantor, forthwith upon the execution and delivery of this Indenture and thereafter from time to time, will cause this Indenture, and each supplement hereto, and all financing statements, continuation statements and other instruments required by applicable law necessary in connection therewith

to be filed, registered and recorded and re-filed, re-registered and re-recorded as a mortgage upon the Trust Estate, in such manner and in such places as may be required by any present or future law in order to publish notice of and fully protect the lien hereof upon and the title of the Trustee to, the Trust Estate and in order to entitle the Bonds then outstanding to the benefits and security of this Indenture, and will cause the Lease and any supplement thereto, to be filed, registered or recorded and re-filed, re-registered or re-recorded in such manner and in such places as may be required by law in order to publish notice and fully protect the validity thereof, and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all further instruments which may be necessary for such publication, protection and entitlement. The Grantor will pay or cause to be paid all filing, registration and recording taxes and fees incident to such filing, re-filing, registration, re-registration, recording and re-recording and all expenses incidental to the preparation, execution and acknowledgment of this Indenture, the Lease, any instrument of further assurance and any supplements to any of said instruments and all federal or state stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Indenture, the Lease, the Bonds, any instrument of further assurance, and any supplements to any of said instruments.

Section 6.19. Promptly after any filing, registration or recording or any re-filing, re-registration or re-recording of this Indenture or the Lease or any filing, registration, recording, re-filing, re-registration or re-recording of any supplement to any of said instruments, or any instruments of further assurance which is required pursuant to Section 6.18, the Grantor will deliver to the Trustee an Opinion of Counsel to the effect that such filing, registration, recording, re-filing, re-registration or re-recording has been duly accomplished and setting forth the particulars thereof.

Section 6.20. Anything in this Indenture to the contrary notwithstanding, the performance by the Grantor of all duties and obligations imposed upon it hereby, the exercise by it of all powers granted to it hereunder, the carrying out of all covenants, agreements, and promises made by it hereunder, and the liability of the Grantor for all warranties and other covenants hereunder, shall be limited solely to the Trust Estate including revenues and receipts derived from the sale or leasing by it of the Facility and the Grantor shall not be required to effectuate any of its duties, obligations, powers or covenants hereunder except to the extent of the Trust Estate and such revenues and receipts.

ARTICLE VII

Remedies on Default

Section 7.01. If one or more of the following events (herein called "Events or Event of Default") shall happen, that is to say,

- (a) if default shall be made in the due and punctual payment of the principal of, or interest or pre-

mium (if any) on any Bond when and as the same shall become due and payable, whether by declaration or otherwise;

- (b) if default shall be made by the Grantor in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, and such default shall have continued for a period of sixty (60) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Grantor by the Trustee, or to the Grantor and the Trustee by the holders of not less than twenty-five per cent (25%) in aggregate principal amount of the Outstanding Bonds (or in the case of any default which cannot with due diligence be cured within such sixty (60) day period, if the Grantor shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default with due diligence, it being intended in connection with the default not susceptible of being cured with due diligence within the sixty (60) days that the time of the Grantor within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence);
- (c) if the Grantor shall file a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any State thereof; if a court of competent jurisdiction shall enter an order, judgment or decree appointing, without the consent of the Grantor, a receiver of the Grantor, or of the whole or any substantial part of its property or approving a petition filed against the Grantor seeking reorganization of the Grantor under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any State thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof; or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Grantor or of the whole or any substantial part of its property, and such custody or control shall not be terminated or stayed within sixty (60) days from the date of assumption of such custody or control;
- (d) if the Lessee shall default in any of its obligations under the Lease and such default shall not have been remedied within the applicable period of time for remedy therein in Section 16.01 of the Lease expressed;

then and in each and every case during the continuance of such Event of Default unless cured by the Grantor or the Lessee within 30 days after written notice thereof except for an Event of Default specified in subsection (a) hereof, in which case immediately, and, unless the principal of all the Bonds shall have already become due and payable, the Trustee by notice in writing to the Grantor, may, and upon the written request of the holders of not less than twenty-five per cent (25%) in principal amount of the Bonds at the time then outstanding shall, declare the principal of all the Bonds then outstanding hereunder, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

This provision is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Grantor shall pay to or shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest at the highest rate the Bonds shall bear on such overdue principal and premium, if any, and (to the extent legally enforceable) on such overdue installments of interest and the reasonable expenses of Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal and of interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured or provisions adequate shall have been made therefor, then and in every such case, the holders of at least sixty-six and two-thirds per cent ($66\frac{2}{3}\%$) in aggregate principal amount of the Bonds then outstanding, by written notice to the Grantor and to the Trustee, may, on behalf of the holders of all the Bonds, rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 7.02. The Trustee, in case of the happening of an Event of Default specified in Section 7.01 hereof, may, and upon written request of the holders of not less than a majority in principal amount of the Bonds then outstanding, and upon being indemnified to its satisfaction, shall, exercise any or all of the following remedies:

A. If and to the extent then permitted by law the Trustee, personally or by its agents or attorneys, may enter into and take possession of all the mortgaged property and forthwith operate and manage the same and exercise all rights, powers and franchises of the Grantor in respect thereof, collect the earnings and income therefrom, pay all principal charges, including taxes and assessments levied thereon and operating and maintenance expenses and all disbursements and liabilities of the Trustee hereunder and apply the net proceeds arising from any such operation of the mortgaged property as provided in Section 7.03 hereof, in respect to the proceeds of a sale of the mortgaged property.

B. The Trustee may proceed to protect and enforce its rights and the rights of the holders of the Bonds under this Indenture by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, may deem most effectual to protect and enforce any of the rights or interests under the Bonds or this Indenture or both. All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof on any trial or other proceeding relative thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, and any recovery of judgment shall be for the ratable benefit of the holders of the Bonds.

C. The Trustee may, with or without entry, sell the mortgaged property at public auction at such place or places as may be required by law, having first given notice of such sale by publication or otherwise, as may be required by law and upon such sale may make and deliver to the purchaser a good and sufficient deed or deeds or bill or bills of sale or assignment or assignments for the same. The Trustee and its successors are hereby irrevocably appointed the true and lawful attorney of the Grantor, in its name and stead, to execute and deliver all necessary deeds, bills of sale, assignments and transfers, the Grantor hereby ratifying and confirming all that its said attorneys shall lawfully do by virtue hereof.

D. The Trustee, upon the bringing of a suit to foreclose this Indenture, as a matter of right, without notice and without giving bond to the Grantor or anyone claiming under it, may have a receiver appointed of all the mortgaged property and of the earnings, income, rents, issues and profits as the court making such appointment shall confer, including such powers as may be necessary or usual in such cases for the protection, possession, control, management and operation of the mortgaged property, and the Grantor does hereby irrevocably consent to such appointment.

E. The Trustee is hereby appointed, and the successive respective holders of the Bonds by taking and holding the same shall be conclusively deemed to have so appointed the Trustee, the true and lawful attorney-in-fact of the respective holders of the Bonds, with authority to make or file, in the respective names of the holders of the Bonds or in behalf of all holders of the Bonds, as a class, any proof of debt, amendment to proof of debt, petition or other document; to receive payment of all sums becoming distributable on account thereof; to execute any other papers and documents and to do and perform any and all acts and things for and in behalf of all holders of the Bonds as a class, as may be necessary or advisable in the opinion of the Trustee, in order to have the respective claims of the holders of the Bonds against the Grantor allowed in any equity receivership, insolvency, liquidation, bankruptcy or other proceedings to which the Grantor shall be a party. The Trustee shall have full power

of substitution and delegation in respect of any such powers. Upon the occurrence of an event of default under the Lease the Trustee may enforce any and all rights of the Grantor thereunder.

F. In the event of any sale to enforce the security of this Indenture, any and all real estate, buildings, machinery, equipment and personal property mortgaged and pledged hereunder may be sold as an entirety or in such lots and/or parcels as the Trustee, in its discretion, shall determine.

Section 7.03. The proceeds or avails of any sale shall be paid to and applied by the Trustee as follows:

- (1) To the payment of costs and expenses of foreclosure or suit, if any, and of such sale and the reasonable compensation of the Trustee, its agents, attorneys and counsel, and of all proper expenses, liabilities and advances incurred or made hereunder by the Trustee or by any holder or holders of the Bonds, and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior liens subject to which said sale may have been made; then
- (2) To the payment of the whole amount then owing or unpaid upon the Bonds for principal and interest together, if and to the extent permitted by law, with interest at the highest rate the Bonds shall bear on overdue principal, premium, if any, and interest, and in case such proceeds shall be insufficient to pay the whole amount so due and unpaid on the Bonds then to the payment of such principal, premium, if any, and interest without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest; and then
- (3) To the payment of the surplus, if any, to the Grantor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

Section 7.04. The Grantor, for it and for all who may claim through or under it, hereby expressly waives and releases all rights to have the mortgaged property marshalled upon any foreclosure sale (the Trustee or any court in which the foreclosure of this Indenture is sought shall have the right to sell the mortgaged property as an entirety and in a single parcel in the discretion of the Trustee) and the Grantor covenants that (to the extent permitted by law) it will not at any time insist upon or plead, claim or take any benefit or advantage of any stay or extension law or laws providing for the valuation or appraisal of the mortgaged property prior to any sale or sales thereof nor after any such sale or sales claim or exercise any right to redeem the

property so sold and the Grantor (to the extent permitted by law) hereby expressly waives for itself and on behalf of each and every person claiming by, through or under the Grantor all benefit and advantage of any such law or laws.

Section 7.05. No delay or omission of the Trustee or of any holder of any of the Bonds to exercise any right or power arising from any default on the part of the Grantor shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Trustee or Bondholders of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing.

Section 7.06. No Bondholder shall have any right to institute or prosecute any suit or proceeding at law or in equity for the foreclosing hereof, for the appointment of a receiver of the Grantor, for the enforcement of any of the provisions hereof or of any remedies hereunder in respect to the mortgaged property unless the Trustee shall have neglected for 60 days to take such action after request in writing by the holders of 25% in aggregate principal amount of the Bonds then outstanding, provided, that the holders of the Bonds shall have offered to the Trustee, such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby and provided, further, that the right of any holder of any Bond to receive payment of the principal thereof and/or interest thereon on or after the respective due dates expressed therein or to institute suit for the enforcement of any such payment shall not be impaired or affected without the consent of such holder.

ARTICLE VIII

Concerning the Trustee

Section 8.01. The Trustee shall, prior to an Event of Default as defined in Section 7.01, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture, and as a corporate trustee ordinarily would perform under a corporate mortgage. The Trustee shall, during the existence of any Event of Default (which has not been cured) exercise such rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own misconduct except that,

- (a) prior to an Event of Default hereunder and after the curing of all Events of Default which may have occurred:

- (1) The duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and
 - (2) In the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee and believed by it to be genuine and executed by the person or persons authorized to furnish the same;
- (b) at all times, regardless of whether or not any Event of Default shall exist:
- (1) The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.
 - (2) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority (or such lesser or greater percentage as is specifically required or permitted by this Indenture) in aggregate principal amount of all Bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

Section 8.02. Except as otherwise provided in
Section 8.01,

- (a) The Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, notarial seal, stamp, acknowledgment, verification, request, consent, order, Bond, coupon or other paper or document believed by it to be genuine and to have been signed or affixed and presented by the proper party or parties;
- (b) Any notice, request, direction, election, order or demand of the Grantor mentioned herein shall be

sufficiently evidenced by an instrument signed in the name of the Grantor by any officer of the Grantor (unless other evidence in respect thereof be herein specifically prescribed), and any resolution of the Board of Directors of the Grantor may be evidenced to the Trustee by a Certified Resolution;

- (c) In the administration of the trusts of this Indenture, the Trustee may execute any of the trusts or powers hereof directly or through its agents or attorneys and the Trustee may consult with counsel (who may be counsel for the Grantor) and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel;
- (d) Whenever in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate of the Grantor and such Officers' Certificate of the Grantor shall, in the absence of negligence or bad faith on the part of the Trustee, be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such matter or may require such further or additional evidence as it may deem reasonable;
- (e) The recitals herein and in the Bonds (except the Trustee's certificate of authentication thereon) shall be taken as the statements of the Grantor and shall not be considered as made by, or imposing any obligation or liability upon, the Trustee. The Trustee makes no representation as to the value or condition of the trust estate or any part thereof, or as to the title of the Grantor, or as to the security afforded thereby or hereby, or as to the validity of this Indenture or of the Bonds or coupons issued hereunder, and the Trustee shall incur no liability or responsibility in respect of any of such matters;
- (f) The Trustee shall not be personally liable in case of entry by it, upon the trust estate, for debts contracted or liability or damages incurred in the management or operation of the trust estate. The Trustee shall not in any event be required to take, defend or appear in any legal action or proceeding hereunder or to exercise any of the

trusts or powers hereof unless it shall first be adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred thereby. Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section;

- (g) Subject to the provisions of the Lease and this Indenture, the Trustee shall not be under any obligation to give any consent, enter into any agreement, release any property or to take any other action which is discretionary with the Trustee under the provisions hereof except on written request of the holders of not less than any applicable specified percentage provided for in this Indenture or if no percentage is specified then 66 2/3% in principal amount of the Bonds outstanding hereunder;
- (h) None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it;
- (i) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default; and
- (j) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect any and all of the mortgaged property, including all books, papers and records of the Grantor pertaining to the mortgaged property and the Bonds, and to take such memoranda from and in regard thereto as may be desired subject to the provisions of Section 25.07 of the Lease.

Section 8.03. The Trustee makes no representation as to the validity or sufficiency of this Indenture, the Lease, or of the Bonds or coupons other than the written authentication of an Authorized Officer of the Trustee. The Trustee shall not be accountable for the use or application by the Grantor of any of the Bonds authenticated or delivered hereunder or of the proceeds of such Bonds unless deposited with the Trustee.

Section 8.04. The Trustee and its officers and directors may acquire and hold, or become the pledgee of, Bonds and coupons and otherwise deal with the Grantor in the manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 8.05. All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, and need not be segregated from other funds except to the extent required by law. Subject to the provisions of Section 4.05 and 5.02 hereof, the Trustee shall be under no liability for interest on any moneys received by it hereunder except such as it may agree with the Grantor to pay thereon.

Section 8.06. The Grantor covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust, and the Grantor will pay or reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ), except any such expense, disbursement or advance as may arise from its negligence or bad faith. If any property other than cash, shall at any time be held by the Trustee subject to this Indenture, or any supplemental indenture, as security for the Bonds, the Trustee, if and to the extent authorized by a receivership, bankruptcy or other court of competent jurisdiction or by the instrument subjecting such property to the provisions of this Indenture as such security for the Bonds, shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other prior liens or encumbrances thereon. The Grantor also covenants to indemnify the Trustee for, and to hold it harmless against, any loss, liability, expense or advance incurred or made without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance of this trust, including the costs and expenses of defending itself against any claim of liability in the premises. The obligations of the Grantor under this Section 8.06 to compensate the Trustee for services and to pay or reimburse the Trustee for expenses, disbursements, liability and advances shall constitute additional indebtedness hereunder. Such additional indebtedness shall have priority over the Bonds in respect of all property and funds held or collected by the Trustee as such.

Section 8.07. There shall at all times be a trustee hereunder which shall be a corporation or association organized and doing business under the laws of the United States or any State authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least Ten Million Dollars (\$10,000,000) and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 8.07 the combined capital and surplus of such corporation shall be deemed to be its combined capital and

surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 8.07, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.08.

Section 8.08. (a) The Trustee may at any time resign by giving written notice to the Grantor and by giving to the Bondholders notice by publication of such resignation. Such notice shall be published at least once in an Authorized Newspaper. Upon receiving such notice of resignation, the Grantor shall promptly appoint (with the prior approval of the Lessee) a successor trustee by an instrument in writing executed by order of its Board of Directors.

If no successor trustee shall have been so appointed and have accepted appointment within thirty (30) days after the publication of such notice of resignation the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor trustee, or any Bondholder who has been a bona fide holder of a Bond or Bonds for at least six months may, on behalf of himself and other similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

- (1) The Trustee shall cease to be eligible in accordance with the provisions of Section 8.07 and shall fail to resign after written request therefor by the Grantor or by any Bondholder who has been a bona fide holder of a Bond or Bonds for at least six months, or
- (2) The Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then in any such case, the Grantor may remove the Trustee and (with the prior approval of the Lessee) appoint a successor trustee by an instrument in writing executed by order of its Board of Directors, or any such Bondholder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The holders of a majority in aggregate principal amount of all Bonds at the time outstanding may at any time remove the Trustee and appoint a successor trustee by an instrument or concurrent instruments in writing signed by such Bondholders.

(d) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions

of this Section 8.08 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 8.09.

Section 8.09. Any successor trustee appointed as provided in Section 8.08 shall execute, acknowledge and deliver to the Grantor and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like effect as if originally named as trustee herein; but, nevertheless, on the Written Request of the Grantor or the request of the successor trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the rights, powers and trusts of the Trustee so ceasing to act. Upon request of any such successor trustee, the Grantor shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights, powers and duties.

No successor trustee shall accept appointment as provided in this Section 8.09 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 8.07.

Upon acceptance of appointment by a successor trustee as provided in this Section 8.09, the Grantor shall publish notice of the succession of such trustee to the trusts hereunder. Such notice shall be published at least once in an Authorized Newspaper. If the Grantor fails to publish such notice within ten (10) days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be published at the expense of the Grantor.

Section 8.10. Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger, or any corporation or association succeeding to the business of the Trustee, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that such successor trustee shall be eligible under the provisions of Section 8.07.

ARTICLE IX

Evidence of Rights of Bondholders

Section 9.01. Any request, consent or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bondholders in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent or of the holding by any person of Bonds

transferable by delivery shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Grantor if made in the manner provided in this Article.

Section 9.02. The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership such affidavit or certificate shall also constitute sufficient proof of his authority.

Section 9.03. The amount of Bonds transferable by delivery held by any person executing any such request, consent or other instrument or writing as a Bondholder, and the distinguishing numbers of the Bonds held by such person, and the date of his holding the same may be proved by a certificate executed by any trust company, bank, banker, or other depository (wherever situated), showing that at the date therein mentioned such person had on deposit with such depository, or exhibited to it, the Bonds therein described, or such facts may be proved by the certificate or affidavit of the person executing such request, consent or other instrument or writing as a Bondholder, if such certificate or affidavit shall be deemed by the Trustee to be satisfactory. The Trustee and the Grantor may conclusively assume that such ownership, continues until written notice to the contrary is served upon the Trustee. The fact and the date of execution of any request, consent or other instrument and the amount and distinguishing numbers of Bonds held by the person so executing such request, consent or other instrument may also be proved in any other manner which the Trustee may deem sufficient. The Trustee may nevertheless, in its discretion, require further proof in cases where it may deem further proof desirable.

The ownership of Bonds registered as to principal or fully registered shall be proved by the register of such Bonds.

Any request, consent or vote of the holder of any Bond shall bind every future holder of the same Bond and the holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Grantor pursuant to such request, consent or vote.

Section 9.04. In determining whether the holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the Grantor, or by any person directly or indirectly controlling or controlled by or under common control with the Grantor, shall be disregarded and deemed not to be outstanding for the purpose of any such determination, provided that for the purpose of determining whether the Trustee shall be protected in relying

on any such demand, request, direction, consent or waiver only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding for the purposes of this Section 9.04 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under common control with the Grantor. In case of a dispute as to such right any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

ARTICLE X

Supplemental Indentures

Section 10.01. The Grantor, when authorized by resolution of its Board of Directors, and the Trustee from time to time and at any time, subject to the conditions and restrictions in this Indenture contained, may enter into an indenture or indentures supplemental hereto, which indenture or indentures thereafter shall form a part hereof, for any one or more or all of the following purposes:

- (a) To add to the covenants and agreements of the Grantor in this Indenture contained, other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the Grantor;
- (b) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Grantor may deem necessary or desirable and which shall not adversely affect the interests of the holders of the Bonds;
- (c) To subject, describe, or redescribe any property subjected or to be subjected to the lien of this Indenture;
- (d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute; and
- (e) To provide for additional series of Bonds to the extent permitted by this Indenture.

Any supplemental indenture authorized by the provisions of this Section 10.01 may be executed by the Grantor and the Trustee without the consent of the holders of any of the Bonds at the time outstanding, notwithstanding any of the provisions of Section 10.02.

Section 10.02. With the consent (evidenced as provided in Article IX) of the holders of not less than sixty-six and two-thirds per cent (66 2/3%) in aggregate principal amount of the Bonds at the time outstanding the Grantor, when authorized by a resolution of its Board of Directors, and the Trustee may from time to time and at any time enter into an indenture or indenture supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture, provided, however, that no such supplemental indenture shall (1) extend the fixed maturity of the Bonds or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the holder of each Bond so affected, or (2) reduce the aforesaid percentage of holders of Bonds required to approve any such supplemental indenture, or (3) permit the creation of any lien on the properties mortgaged and conveyed hereunder prior to or on a parity with the lien of this Indenture (except for the issuance of additional Bonds permitted hereunder) or deprive the holders of the Bonds of the lien created by this Indenture upon said properties, without the consent of the holders of all the Bonds then outstanding. Upon receipt by the Trustee of a Certified Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Bondholders, as aforesaid, the Trustee shall join with the Grantor in the execution of such supplemental indenture.

It shall not be necessary for the consent of the Bondholders under this Section 10.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Section 10.03. Upon the execution of any supplemental indenture pursuant to the provisions of this Article X, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligation under this Indenture of the Grantor, the Trustee and all holders of Bonds outstanding thereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.04. Subject to the provisions of Section 8.01 the Trustee may rely on an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to the provisions of this Article X complies with the requirements of this Article X.

Section 10.05. Bonds authenticated and delivered after the execution of any supplemental indenture pursuant to

the provisions of this Article X may bear a notation, in form approved by the Trustee, as to any matter provided for in such supplemental indenture and if such supplemental indenture shall so provide, new Bonds, so modified as to conform, in the opinion of the Trustee, to any modification of this Indenture contained in any such supplemental indenture, may be prepared by the Grantor, authenticated by the Trustee and delivered without cost to the holders of the Bonds then outstanding, upon surrender for cancellation of such Bonds with all unmatured coupons and all matured coupons not fully paid, in equal aggregate principal amounts.

ARTICLE XI

Defeasance, Unclaimed Moneys

Section 11.01. If the Grantor shall pay and discharge the entire indebtedness on all Bonds outstanding hereunder in any one or more of the following ways, to wit:

- A. By well and truly paying or causing to be paid the principal of (including redemption premium, if any) and interest on Bonds outstanding hereunder, as and when the same become due and payable;
- B. By depositing or causing to be deposited with the Trustee, in trust, at or before the date of maturity or redemption, money in the necessary amount to pay or redeem the Bonds outstanding hereunder; and/or
- C. By delivering to the Trustee, for cancellation by it, Bonds outstanding hereunder, together with all unpaid coupons thereto belonging;

and if the Grantor shall also pay or cause to be paid all other sums payable hereunder by the Grantor, then and in that case this Indenture shall cease, determine, and become null and void, and thereupon the Trustee shall, upon Written Request of the Grantor, and upon receipt by the Trustee of an Officers' Certificate of the Grantor and an Opinion of Counsel, each stating that in the opinion of the signers all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, forthwith execute proper instruments acknowledging satisfaction of and discharging this Indenture. The satisfaction and discharge of this Indenture shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Grantor for any expenditure which it may thereafter incur in connection herewith.

The Grantor may at any time surrender to the Trustee for cancellation by it any Bonds previously authenticated and delivered hereunder, together with all unpaid coupons thereto belonging, which the Grantor may have acquired in any manner whatsoever, and such Bonds and coupons, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 11.02. Upon the deposit with the Trustee, in trust, at or before maturity, of money in the necessary amount to pay or redeem Bonds outstanding hereunder and upon payment

of all other sums due hereunder (whether upon or prior to their maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in Article V provided or provisions satisfactory to the Trustee shall have been made for the giving of such notice, all liability of the Grantor in respect to this Indenture shall cease, determine and be completely discharged and the holders of the Bonds shall thereafter be entitled to payment out of the money deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 11.03.

Section 11.03. Notwithstanding any provisions of this Indenture, any moneys deposited with the Trustee or any other paying agent in trust for the payment of the principal of, or interest or premium on, any Bonds and remaining unclaimed for seven years after the principal of all the Bonds outstanding hereunder has become due and payable (whether at maturity or upon call for redemption or by declaration as provided in this Indenture), shall then be repaid to the Grantor upon its Written Request, and the holders of such Bonds and coupons shall thereafter be entitled to look only to the Grantor for repayment thereof, and all liability of the Trustee or any other paying agent with respect to such moneys shall thereupon cease, provided, however, that before the repayment of such moneys to the Grantor as aforesaid, the Trustee or other paying agent, as the case may be, may (at the cost of the Grantor) first publish a notice, in such form as may be deemed appropriate by the Trustee or such paying agent, in respect of the Bonds or coupons so payable and not presented and in respect of the provisions relating to the repayment to the Grantor of the moneys held for the payment thereof. Such notice shall be published at least once in an Authorized Newspaper. In the event of the repayment of any such moneys to the Grantor as aforesaid, the holders of the Bonds and coupons in respect of which such moneys were deposited shall thereafter be deemed to be unsecured creditors of the Grantor for amounts equivalent to the respective amounts deposited for the payment of such Bonds and coupons and so repaid to the Grantor (without interest thereon). Notwithstanding the foregoing, the Trustee shall, upon the Written Request of the Grantor, repay such moneys to the Grantor at any time earlier than seven years if failure to repay such moneys to the Grantor within such earlier period shall give rise to the operation of any escheat statute under applicable state law.

ARTICLE XII

Miscellaneous Provisions

Section 12.01. All the covenants, stipulations, promises and agreements in this Indenture contained, by or in behalf of the Grantor, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

Section 12.02. Nothing in this Indenture or in the Bonds or coupons expressed or implied is intended or shall be construed to give to any person other than the Grantor, the Trustee, and the holders of the Bonds and coupons issued

hereunder, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provisions therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Grantor, the Trustee and the holders of the Bonds and coupons issued hereunder.

Section 12.03. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 12.04. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Grantor of any Bonds or any coupons the Trustee may, upon the Written Request of the Grantor, in lieu of such cancellation and delivery, cremate or destroy such Bonds and coupons, in the presence of an officer of the Grantor (if the Grantor shall so require), and deliver a certificate of such cremation or destruction to the Grantor.

Section 12.05. In case any one or more of the provisions contained in this Indenture or in the Bonds or coupons shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture, but this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 12.06. Any notice to or demand upon the Trustee may be served, or presented, and such demand, may be made at the principal office of the Trustee, which is now at 201
Attention: Corporate
Trust Department. Any notice to or demand upon the Grantor shall be deemed to have been sufficiently given or served for all purposes by being deposited, postage prepaid, in a post office letter box addressed to the Grantor at such address as may be filed in writing by the Grantor with the Trustee.

Section 12.07. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts, or as many of them as the Grantor and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 12.08 This Indenture shall be governed by the provisions hereof and by the applicable laws of the State of South Carolina.

IN WITNESS WHEREOF, Greenville County has caused these presents to be signed in its name and behalf by the Chairman of its Greenville County Council and its corporate seal to be hereunto affixed and attested by the Secretary of said Council, and to evidence its acceptance of the trust hereby created, The South Carolina National Bank of Charleston, has caused these presents to be signed in its name and behalf by one of its Trust Officers, its official seal to be hereunto affixed, and the same to be attested by one of its Assistant Trust Officers, all as of the day and year first hereinabove written.

GREENVILLE COUNTY, SOUTH CAROLINA

By _____
Chairman of the Greenville
County Council

(SEAL)

Attest:

Secretary of the Greenville
County Council

In the presence of:

THE SOUTH CAROLINA NATIONAL BANK
OF CHARLESTON, As Trustee

By _____
Trust Officer

(SEAL)

Attest:

Assistant Trust Officer

In the presence of:

STATE OF SOUTH CAROLINA)
) SS:
COUNTY OF GREENVILLE)

Personally appeared before me _____ who
being duly sworn says that he saw the corporate seal of Green-
ville County, South Carolina, affixed to the foregoing Indenture
of Mortgage and Deed of Trust, and that he also saw _____
_____, as Chairman of the Greenville County Council
of Greenville County, South Carolina, and _____ as Secretary
of the Greenville County Council of Greenville County, South
Carolina, sign and attest the same and that he with _____
witnessed the execution and delivery thereof as the act and deed
of the said Greenville County, South Carolina.

Sworn to before me this

Notary Public for the State
of South Carolina

My Commission Expires:

STATE OF SOUTH CAROLINA)
) SS
COUNTY OF RICHLAND)

Personally appeared before me _____ who being duly
sworn says that he saw the corporate seal of The South Carolina
National Bank of Charleston, as Trustee, affixed to the foregoing
Indenture of Mortgage and Deed of Trust, and that he also saw _____
_____, as Trust Officer and _____ as an Assistant
Trust Officer of The South Carolina National Bank of Charleston,
as Trustee, sign and attest the same, and that he with _____
_____ witnessed the execution and delivery thereof as the
act and deed of the said The South Carolina National Bank of Charles-
ton, as Trustee.

+ _____
Sworn to before me this

Notary Public for the State
of South Carolina

My Commission Expires:

CONSTRUCTION DEPOSIT AGREEMENT

THIS AGREEMENT made and entered into as of the 1st day of April, 1971, by and among Greenville County, South Carolina, a political subdivision of the State of South Carolina (hereinafter called the "County"), Bigelow-Sanford, Inc., a corporation organized and existing under the laws of the State of Delaware (hereinafter called the "Corporation"), and The South Carolina National Bank of Charleston, a banking corporation with trust powers in Columbia, South Carolina (hereinafter called the "Depository").

W I T N E S S E T H

WHEREAS, A. The County has leased to the Corporation under and pursuant to the terms of a Lease dated as of April 1, 1971 hereinafter referred to as the "Lease"), the premises, improvements and facilities described in said Lease, which premises it will acquire and which computer and research center and related office facilities it has agreed to acquire, construct and install as in said Lease provided;

B. The County and The South Carolina National Bank of Charleston as Trustee (hereinafter sometimes referred to as the "Trustee"), have likewise executed an Indenture of Mortgage and Deed of Trust dated as of April 1, 1971 (hereinafter referred to as the "Indenture") referable to the same premises, improvements and facilities and providing among other things, for the sale and issuance of Two Million Seven Hundred Thousand Dollars (\$2,700,000) principal amount Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) of the County;

C. The parties understand that net proceeds of the sale of said Bonds will be used by the County to pay for the purchase of the premises described in Schedule A to the Lease and for the acquisition, construction and installation of the aforesaid facilities leased to the Corporation, and desire by this Agreement to provide how the said proceeds will be so used and how the said facilities will be so acquired, constructed and installed;

NOW, THEREFORE, in consideration of the premises and of the agreements hereinafter expressed, the parties do hereby agree each with the other as follows:

Section 1. The County hereby deposits the sum of \$ _____ with the Depository to be credited by the Depository to a "Construction Fund Account" hereby created, and hereby deposits or will deposit the following documents with the Depository prior to the time that said sum of \$ _____ to be utilized for construction costs as hereinafter defined is disbursed pursuant to the provisions following:

- (1) Specifications (hereinafter called the "Specifications") which provide for the construction of a computer and research center (or any portion thereof) for the use of the Corporation and improvements

and facilities related thereto (hereinafter collectively called the "Building"), on property owned by the County and leased to the Corporation under and pursuant to the Lease (hereinafter called the "Leased Premises"). The construction of the computer and research center, improvements and facilities, provided for by the Specifications from time to time in effect hereunder is hereafter referred to as the "Improvement Project".

- (2) From time to time during the course of construction, construction contracts with contractors and subcontractors providing for the construction of the Building.
- (3) Evidence of "builders risk" insurance on the Building during the course of construction.

Section 2. The County and the Corporation agree that the Corporation, as Lessee of the Improvement Project, shall cause the Building to be constructed on the Leased Premises, wholly within the boundary lines thereof, the Building to consist of a computer and research center containing approximately 90,000 square feet of area. The Building will be constructed in accordance with the Specifications as such Specifications are from time to time amended and approved by the Corporation and the County.

Section 3. Changes in and additions to the Specifications or the construction contracts shall be made only by the joint agreement of the County and the Corporation as evidenced by a writing signed by the Authorized Representative of each of them, except that:

- (a) The Authorized Representative of the Corporation shall have authority to make minor changes in the work called for by any construction contract not involving extra cost and not inconsistent with the purposes of the contract;
- (b) the Corporation through its Authorized Representative, may, at any time prior to the completion of the Building, and without the further express approval of the County, order extra work under any construction contract or make changes therein by altering, adding to or deducting from the work specified by the construction contract (even though the cost of the contract will be adjusted accordingly), provided that such extra work, alteration, addition or deduction shall not damage or materially alter the basic structure of the Building as planned or materially decrease its value, and provided that the Corporation keeps the Depositary and an Authorized Representative of the County informed of any such extra work, alterations, additions or deductions promptly after they are ordered by it.

The Corporation agrees to construct the Building with all reasonable dispatch and to use its best efforts to cause the said construction to be completed by _____ or as soon thereafter as may be practicable, delays incident to strikes, riots, acts of God or the public enemy beyond the reasonable control of the Corporation excepted, but if for any reason such construction is not completed by said date there shall be no resulting liability on the part of the County. No delay in the completion of construction shall result in any diminution in the rental payments required in the Lease, or any of the covenants or agreements contained therein, all as more fully set forth in the Lease.

"Engineer" as used herein shall mean _____ or the Independent Engineer as defined in the Indenture.

Section 4. The term "construction costs" as used herein shall mean costs incurred directly or indirectly in connection with the Improvement Project. Construction costs shall be deemed to include the following:

- (a) Payment to the Corporation or the County, as the case may be, of such amounts, if any, as shall be necessary to reimburse them or either of them in full for all advances and payments made and costs incurred in connection with the acquisition of the Leased Premises, clearing and improving the Leased Premises, the preparation of the Specifications (including any preliminary study or planning, or any aspect thereof), the construction of the Building, and any construction, acquisition or installation necessary to procure utility services or other facilities,
- (b) Payment to or for the account of any contractor under a construction contract deposited hereunder of such amount or amounts as are at the time due and payable under such contract;
- (c) Payment to or for the account of an architect, engineer or consultant rendering the service or incurring the expenses or to the party hereunder which shall have previously paid the same of the amount of fees earned and out-of-pocket expenses incurred in connection with architectural, engineering, consulting and supervisory services in relation to the preparation of the Specifications, the improvement of the Leased Premises, the construction of the Building, the procurement of utility services or other facilities, the inspection of any of the foregoing and the preparation or approval of certificates of inspection, payment or completion; and
- (d) Payment to the insurance company or agent involved or to the party hereunder which shall have previously

paid the same, of the premiums on any insurance required to be taken and maintained under this Construction Deposit Agreement or any construction contract or purchase order issued pursuant to this Construction Deposit Agreement as evidenced by the invoice of the insurance company or agent approved by the Corporation, except such premiums as are required to be paid by the contractor thereunder.

Section 5. Money deposited hereunder (which money shall be held by the Depositary in a Construction Fund Account) shall be paid out from time to time by the Depositary to or upon the order of the County and the Corporation, as Lessee of the Improvement Project, in order to pay or as reimbursement for payments made for construction costs as hereinbefore provided, and in the case of costs incurred in connection with the construction of the Building, in each case upon receipt by the Depositary of the following:

- (a) The joint written order of the County and the Corporation:
 - (1) stating that the construction costs of an aggregate amount stated in such order have been made or incurred and were necessary for the Building and, were made or incurred in accordance with the Specifications then in effect and on file with the Depositary;
 - (2) stating that the amount paid or to be paid as set forth in the said order, is reasonable and represents a part of the amount payable for construction costs and that such payment was not paid in advance of the time, if any, fixed for payment in such contracts and that such payment was in accordance with the terms of any contracts applicable thereto;
 - (3) stating that no part of the said construction costs was included in any order previously filed with the Depositary under the provisions hereof; and
 - (4) stating that the amount remaining in the Construction Fund Account will, after payment of the amount requested in said order, be sufficient to pay the cost of completing the Building in accordance with the Specifications then in effect and on file with the Depositary or stating that the amount remaining in the Construction Fund Account will not be sufficient for such purpose, in which case such order shall set forth an estimate of additional amount required so to complete the Building.
- (b) A certificate of the Engineer stating that he has read each written order prepared responsive to subdivision (a) above and approves the payment to be made pursuant to said order as a payment or reimbursement for a portion of the cost of the

completion of the Building, and that, in his opinion funds remaining in the Construction Fund Account (as represented to him by the Corporation) will, after payment of the amount requested in said order, be sufficient to pay the cost of completing the Building.

The written order shall be signed by the Chairman of the County (the Authorized Representative) and by an officer or such other agent (the Authorized Representative) as shall be appointed by the President or other officer of the Corporation.

Section 6. The County does not make any warranty, either express or implied that the moneys which will be paid into the Construction Fund Account and which, under the provisions of this Agreement, will be available for payment of the costs of the acquisition of the Leased Premises, the construction of the Building and other costs related thereto will be sufficient to pay all of the costs which will be incurred in that connection. In the event the moneys in the Construction Fund Account available for payment of such costs should not be sufficient to pay the same in full, the Corporation agrees to complete the construction of the Building, and to pay all that portion of the costs in connection therewith as may be in excess of the moneys available therefor in the Construction Fund Account. The Corporation further agrees that if after exhaustion of the moneys in the Construction Fund Account, the Corporation should pay any portion of the said costs pursuant to the provisions of this Section it shall not be entitled to any reimbursement therefor from the County or from the Trustee under the Indenture or from the holders of any of the Bonds, nor shall it be entitled to any diminution of the rents payable under the Lease, all as more fully provided therein.

Section 7. Within 90 days after the construction of the Building is completed in accordance with the Specifications then on file with the Depositary, the Corporation will deliver to the Depositary a certificate of the Engineer stating that the construction of the Building has been fully completed in accordance with the Specifications then on file with the Depositary and the date of such completion, and further stating that he has made such investigation of such sources of information as are deemed by him to be necessary, and is of the opinion that the Building has been paid for and no claim or claims exist against the County or against its properties out of which a lien based on furnishing labor or material exists or might be created; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might be created in the event that the County or the Corporation intends to contest such claim or claims, in which event such claim or claims shall be described and it shall be further stated that funds are on deposit under this Agreement sufficient to make payment of the full amount which might in any event be payable in order to satisfy such claim or claims.

In the event the certificate of the Engineer filed with the Depositary responsive to the preceding provisions of this Section shall state that there are claim or claims in controversy which create or might create a lien, then when and

as such claim or claims shall have been fully paid the County or the Corporation shall cause a certificate of the Engineer to that effect to be promptly filed with the Depositary.

Section 8. Moneys at any time held by the Depositary hereunder shall, at the direction of the County and the Corporation be invested or reinvested by the Depositary in Qualified Investments as defined in the Indenture, maturing at such time or times that the Depositary will be able to make the payments from time to time required of it hereunder. In determining when it may need to make payments and what amounts can be theretofore invested or reinvested hereunder, the Depositary shall be entitled to rely upon a schedule of anticipated payments of construction costs provided by the Corporation. Any interest or profit on such investments shall be credited to the Construction Fund Account and any loss on such investments shall be charged to the Construction Fund Account. The Depositary shall not be obligated to invest any funds held by it hereunder except as directed by the County and the Corporation and justified by the foregoing schedule of anticipated payments and shall not be obligated to pay interest on any funds not invested pursuant to the terms hereof. The Depositary may sell or present for redemption any investment purchased by it whenever it shall be necessary in order to provide moneys to meet any payment hereunder, and the Depositary shall not be liable or responsible for any loss resulting from such investment, sale or redemption.

Section 9. Whenever the Depositary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless the evidence in respect thereof be herein specifically prescribed) may in the absence of bad faith on the part of the Depositary be deemed to be conclusively proved and established by a certificate signed by the Chairman of the County and by the Authorized Representative of the Corporation; and such certificate shall be full warrant to the Depositary for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

Section 10. All moneys held by the Depositary hereunder shall be security for the Bonds outstanding under the Indenture, and in the event of a default thereunder shall on demand be paid to the Trustee under the Indenture. If, after payment by the Depositary of all amounts which it shall have been directed to pay in accordance with Section 5 above and after receipt by the Depositary of the certificates required by Section 7 above, there shall remain any balance in the Construction Fund Account not needed to provide for the payment of pending claims, such balance shall be paid to the Trustee under the Indenture for deposit in the Revenue Account established under the Indenture.

Section 11. Nothing in this Agreement shall be construed to permit either the Corporation or the County to obligate the County, pursuant to any construction contract or otherwise, to pay any moneys in connection with the acquisition of the Leased Premises, the construction of the Building other than from funds on deposit in the Construction Fund Account and available for such purpose and neither this Agreement nor any construction contract or other agreement executed by the Corporation or the County in

connection with such acquisition or construction shall (i) be deemed to create or give rise to a general obligation or pecuniary liability of the County or a charge against its general credit or taxing powers, it being expressly understood that except to the extent that the Corporation may obligate itself to make up any deficiency thereunder, the source of payment of any sums due or to become due under any such contract or agreement shall be limited to the funds on deposit in the Construction Fund Account and available for such purpose or (ii) be deemed to create or give rise to any charge or lien upon any assets or property of the County except the Leased Premises and the Building and the funds on deposit in the Construction Fund Account.

Section 12. Until changed by written notice to the other parties hereto making a change either of substitution or addition, the Authorized Representative of the Corporation shall be _____, who may be addressed at _____.

Section 13. The Depositary may at any time resign by giving at least 10 days' written notice either personally or by registered or certified mail to the County and to the Corporation. In the event of such resignation, the County and the Corporation shall jointly appoint a successor who, upon written acceptance filed with the County and the Corporation, shall become fully vested with all of the rights, powers, trusts, duties and obligations of its predecessor.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on and as of the date hereinabove written, by their respective duly authorized officers.

COUNTY OF GREENVILLE, SOUTH CAROLINA

By _____
Chairman

BIGELOW-SANFORD , INC.

By _____
Vice President

THE SOUTH CAROLINA NATIONAL
BANK OF CHARLESTON

By _____
Trust Officer

Greenville, South Carolina.

May 20, 1971

The Greenville County Council of Greenville County, South Carolina, convened in public session at the regular meeting place of the Council in the County Courthouse in the City of Greenville at 2:30 o'clock ^PA.M., on May 18, 1971, with the following members present:

W. Don Owens	W. M. Kay, Jr.
Thomas S. Bruce, Jr.	William L. Hunter
A. E. Green	John C. Jarrard
Larry H. McCalla	Robert B. Vaughn
Joseph H. Earle, Jr.	

There were also present Cecil D. Buchanan, Secretary of the Council and E. P. Riley, County Attorney.

After the meeting has been duly called to order by the Chairman and the roll called with the above result, and after the minutes of the preceding meeting has been read and approved, the Chairman announced that one purpose of the meeting was to consider the adoption of a resolution making application to the State Budget and Control Board for the approval by said board of the issuance by Greenville County of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) in the aggregate principal amount of \$2,700,000.

Thereupon, the following resolution was introduced in written form by Mr. William L. Hunter, was read in full, and, after due discussion, pursuant to motion made by Mr. William L. Hunter and seconded by Mr. A. E. Green, was adopted by the following vote:

Aye:	
W. Don Owens	W. M. Kay, Jr.
Thomas S. Bruce, Jr.	William L. Hunter
A. E. Green	John C. Jarrard
Larry H. McCalla	Robert B. Vaughn
Joseph H. Earle, Jr.	

Nay: NONE

The resolution was thereupon signed by the Chairman of the Greenville County Council in evidence of his approval, was attested by the Secretary of the Council and was declared to be effective,

The resolution is as follows:

A RESOLUTION making application to the State Budget and Control Board of South Carolina for the approval by said board of the issuance by Greenville County, South Carolina, of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.) in the aggregate principal amount of \$2,700,000 pursuant to the provisions of Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967.

WHEREAS Greenville County, acting by and through its Greenville County Council, is authorized by Act No. 103 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, 1967 (hereinafter referred to as "Act No. 103") to acquire land within its corporate limits and to acquire and construct buildings and improvements thereon and to lease the same as a project for the purpose of promoting and developing industry and trade by inducing manufacturing and commercial enterprises to locate in and remain in the State of South Carolina and thereby utilize and employ the manpower, agricultural products and resources of the County and of the State of South Carolina; and

WHEREAS the County, subject to the approval of the State Budget and Control Board of South Carolina, is authorized to issue Industrial Revenue Bonds secured by a mortgage on all or any part of the project and payable solely from the revenues derived from the leasing or other disposition of the project thus ac-

quired or constructed through the issuance of such revenue bonds;
and

WHEREAS pursuant to Act No. 103, preliminary arrangements have been made by the County and Bigelow-Sanford, Inc., a Delaware corporation duly authorized to conduct business in the State of South Carolina (hereinafter referred to as "Bigelow-Sanford") for the location within the County of a computer and research center and related office facilities and improvements (hereinafter collectively referred to as the "Project"); for the issuance of revenue bonds by the County under and pursuant to the provisions of Act No. 103 to finance the acquisition and construction of the Project and expenses incidental thereto; and for the leasing of the Project by the County to Bigelow-Sanford in consideration of rentals which will produce revenues sufficient (a) to pay the principal of, premium, if any, and interest on said revenue bonds to be issued by the County, and (b) to pay the taxes and payments in lieu thereof on or with respect to the Project; and

WHEREAS it is now deemed advisable by this Greenville County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 14 of Act No. 103, the petition of the County requesting approval of the proposed financing by said State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the Greenville County Council of Greenville County, South Carolina, as follows:

Section 1. That it is hereby found, determined and declared by this Greenville County Council, as follows:

(a) That the Project will constitute a "project" as said term is referred to and defined in Section 2(3) of Act No. 103, and that the issuance of Industrial Revenue Bonds, Series

A (Bigelow-Sanford, Inc.), in the aggregate principal amount of \$2,700,000 (the "Bonds") to finance the acquisition and construction of the Project will subserve the purposes and in all respects conform to the provisions and requirements of Act No. 103;

(b) That neither the Project nor the Bonds proposed to be issued by the County to finance the same will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;

(c) That the issuance of Bonds by the County in the aggregate principal amount of \$2,700,000 will be required to finance the Project;

(d) That the amount necessary in each year to pay the principal of and interest on the Bonds proposed to be issued by the County is presently estimated at approximately \$260,000.00, said amount to be fixed shortly prior to the issuance of the Bonds when the maturities and interest rate or rates shall have been finally determined in accordance with market conditions prevailing at that time, and to be set forth in the proceedings of this Greenville County Council authorizing the issuance of said Bonds;

(e) That inasmuch as Bigelow-Sanford is a corporation with established credit, the establishment of reserve funds in connection with the retirement of the Bonds is deemed unnecessary;

(f) That the Project will be leased by the County to Bigelow-Sanford upon terms which will (1) require Bigelow-Sanford, at its own expense, to maintain the Project in good repair and to carry all proper insurance with respect thereto, and (11) require Bigelow-Sanford to make the payments in lieu of taxes referred to in Section 6 of the Act No. 103;

(g) That the Project will consist of land and a computer and research center and related office facilities to be acquired and constructed and will be located within the County;

(h) In addition to the employment provided for those engaged in the construction of the Project, and the stimulation and promotion of existing local industries, including supply and transportation during such period of construction, it is anticipated that after the Project shall have been completed and the facilities placed in operation, the Project will provide permanent employment for substantial numbers of people from the County and elsewhere in said area with a resulting alleviation of unemployment, and a substantial increase in payrolls and other public benefits flowing from the conducting of industrial operations; and

(i) That a reasonable estimate of the cost of the Project is \$2,700,000.

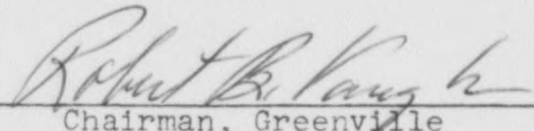
Section 2. That there be and there is hereby authorized and directed the submission, on behalf of Greenville County, of a petition by this Greenville County Council requesting the approval of the proposed financing by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 14 of Act No. 103, said petition, which constitutes and is hereby made a part of this authorizing resolution, to be in substantially the form attached hereto as Exhibit A.

Section 3. That the Chairman of the Greenville County Council be and he is hereby authorized and directed to execute said petition in the name and on behalf of the Greenville County Council; and that the Secretary of said Council be and he is hereby authorized and directed to affix the seal

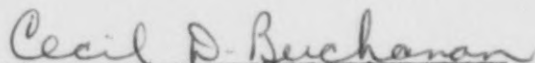
of the Greenville County Council to said petition and to attest the same and thereafter to submit an executed copy of said petition, together with a properly certified copy of this resolution, to the State Budget and Control Board, in Columbia, South Carolina.

Section 4. That all orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved _____, 1971.

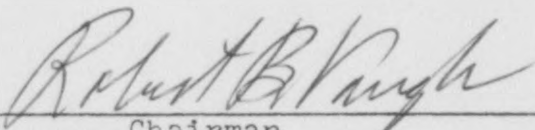

Chairman, Greenville
County Council

Attest:

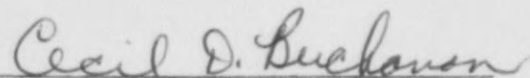

Secretary, Greenville
County Council

(Other business not pertinent to the above appears in the minutes of the meeting.)

Pursuant to motion duly made and carried, the meeting was adjourned.


Chairman

Attest:


Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

TO THE STATE BUDGET AND CONTROL)
 BOARD OF SOUTH CAROLINA) PETITION

I

Statement of Facts

1. Jurisdiction of State Budget and Control Board.

Greenville County, South Carolina (the "County"), acting by and through its Greenville County Council (the "County Council"), respectfully submits this petition to the State Budget and Control Board (the "State Board") under and pursuant to the provisions and requirements of Act No. 103 of the Acts and Joint Resolutions of South Carolina, 1967 (the "Act") and in particular Section 14 thereof, and respectfully requests the approval by the State Board of the issuance by the County of its Industrial Revenue Bonds, Series A (Bigelow-Sanford, Inc.), in the aggregate principal amount of \$2,700,000 (the "Series A Bonds").

The pertinent documents which are or will become the governing instruments of this transaction are submitted herewith as the following exhibits:

- EXHIBIT 1 - Proposed form of Lease dated as of April 1, 1971 between the County and Bigelow-Sanford, Inc. (the "Lease").
- EXHIBIT 2 - Proposed form of Indenture of Mortgage and Deed of Trust dated as of April 1, 1971 (the "Indenture") between the County and a banking corporation or association as Trustee (the "Trustee").
- EXHIBIT 3 - Proposed form of Construction Deposit Agreement dated as of April 1, 1971 (the "Construction Deposit Agreement") among the County, Bigelow-Sanford, Inc., and the Trustee bank as Depositary.

The Lease, the Indenture and the Construction Deposit Agreement are submitted in draft form. It is expected that the

transaction as finally consummated will conform in all substantive respects with the enclosed drafts; however, it may be anticipated that formal changes will occur in subsequent drafts as is usual in cases of this sort, matters of maturities, interest rates, redemption premiums and the like will depend upon marketing factors will not be finally determined until shortly before the Series A Bonds are delivered.

2. The County and its Governing Body. The County, one of the forty-six counties of the State of South Carolina, is a body politic and corporate and a political subdivision of the State of South Carolina. Pursuant to Article 2.1 Chapter 39 Title 14 of the Code of Laws of South Carolina, 1962, the County Council is the governing body of the County and, as such, is the "County Board" referred to and defined in Section 2(2) of the Act.

3. Statutory Authority. The County, subject to the approval of the State Board and to compliance in all other respects with the terms and provisions of the Act, is authorized and empowered by the Act to acquire, own, lease, dispose and mortgage industrial development "projects" and to issue revenue bonds to finance the cost of acquisition or construction of such projects and expenses incidental thereto.

4. The Proposed Lessee. Bigelow-Sanford, Inc. a Delaware corporation with its principal office now located in the City of New York, New York, and duly authorized to conduct business in the State of South Carolina (herein referred to as "Bigelow-Sanford") has indicated its desire to locate a substantial industry, consisting of land and a computer and research center and related office facilities to be constructed thereon (collectively referred to as the "Project") within the

County provided that the Project and expenses incidental thereto may be financed by the issuance by the County of its revenue bonds under and pursuant to the Act.

5. The Preliminary Agreement. Bigelow-Sanford and the County have agreed, subject to the conditions set forth herein, that the County will issue its revenue bonds pursuant to the Act to finance the Project, and that Bigelow-Sanford will lease the Project from the County at rentals sufficient to pay principal of and interest on such bonds.

6. Findings of the County Council. By resolution duly adopted on May 18, 1971, a certified copy of which is submitted herewith as Exhibit 4, the County Council has formally found, determined and declared:

(a) That the Project will constitute a "project" as said term is referred to and defined in Section 2(3) of the Act, and that the issuance of the Series A Bonds to finance the acquisition and construction of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) That neither the Project nor the Series A Bonds will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;

(c) That the issuance of Series A Bonds in the aggregate principal amount of \$2,700,000 will be required to finance the Project;

(d) That the amount necessary in each year to pay the principal of and interest on the Series A Bonds is presently estimated at approximately \$260,000.00, said amount to be fixed shortly prior to the issuance of the Series A Bonds when the maturities and interest rate or rates shall have been finally

determined in accordance with marketing conditions prevailing at that time, and to be set forth in the proceedings of the County Council authorizing the issuance of the Series A Bonds;

(e) That inasmuch as Bigelow-Sanford is a corporation with established credit, the establishment of reserve funds in connection with the retirement of the Series A Bonds is deemed unnecessary by the County Council; and

(f) That the Project will be leased by the County to Bigelow-Sanford upon terms which will (i) require Bigelow-Sanford, at its own expense, to maintain the Project in good repair and to carry all proper insurance with respect thereto, and (ii) require Bigelow-Sanford to make the payments in lieu of taxes referred to in Section 6 of the Act.

II

Additional Information Furnished Pursuant to Section 14 of the Act

1. Brief Description of the Project. The Project will consist of land and a computer and research center and related office facilities to be constructed thereon, and will be located within the County. The Project will be utilized by Bigelow-Sanford in conjunction with its manufacturing operations.

2. Anticipated Effect of the Project upon Economy of the County and Adjacent Areas. In addition to the employment provided for those engaged in the construction of the Project, and the stimulation and promotion of existing local industries, including supply and transportation, it is anticipated that after the Project shall have been completed and the facilities have been placed in operation, the Project will provide permanent employment for substantial numbers of people from the County and elsewhere in said area with a resulting alleviation of unemployment, and a substantial increase in payrolls and

other public benefits flowing from the conducting of industrial operations.

3. Reasonable Estimate of Cost of Project. A reasonable estimate of the cost of the Project is \$2,700,000.

4. General Summary of the Terms and Conditions of the Proposed Lease and Indenture (Exhibits 1 and 2).

(Section references are to the Lease or the Indenture, identified by the prefix letters "L" or "I" respectively.)

The County will acquire certain land within the County and Bigelow-Sanford, as permitted by Section 8 of the Act, will construct and equip thereon the computer and research center and related office facilities and improvements. The County will lease the Project to Bigelow-Sanford for an original term of 20 years commencing on the first day of April, 1971, and up to four renewal terms of five years each. (L. Sections 3.01 and 3.02).

To pay for the Project, the County will issue \$2,700,000 of its Series A Bonds to be secured by a pledge of the revenues from the Project, and in addition by a pledge of the Lease of the Project and a first mortgage on the Project property. The Trustee under the Indenture will be a bank or trust company. Each Series A Bond is required to be executed on behalf of the County by the Chairman of the County Council and attested by the Secretary of the County Council, and to have affixed the corporate seal of the County Council. While the County covenants to pay the Series A Bonds, it is recited that principal and interest are payable solely and exclusively out of the revenues and receipts derived from the leasing of the Project and that the Series A Bonds and the interest coupons do not and shall never constitute an indebtedness of the County

or a charge against its general credit or taxing power. Additional parity bonds (L. Section 20.01; I. Section 3.03) may subsequently be issued to pay for additions and improvements to the Project (the Series A Bonds and any additional parity bonds that may subsequently be issued are hereinafter collectively referred to as the "Bonds").

The proceeds from the sale of the Series A Bonds will be deposited by the County with the Trustee, (L. Section 1.02; I. Section 3.02) and the Trustee shall (a) deposit into the Interest Account the accrued interest paid by the purchasers of the Series A Bonds, (b) deposit into an Expense Account a sum which will be sufficient to pay the costs and expenses of issuing the Series A Bonds, and (c) deposit the balance of the proceeds with the depository bank under the Construction Deposit Agreement for credit to a Construction Fund Account, to pay the costs of acquiring and constructing the Project. (I. Section 3.02 (c)). After the payment of all the costs and expenses in connection with the acquisition of the land and the construction of the Project, and upon completion of the Project, any amounts remaining in the Construction Fund Account will be transferred by the Depository to the Trustee to be credited to the Revenue Account to pay principal of and interest on the Series A Bonds. As is required by Section 6 of the Act, Bigelow-Sanford is obligated to complete the Project at its own expense if the moneys in the Construction Fund Account should prove insufficient for such purpose. (L. Section 1.01)

The Series A Bonds will mature serially on April 1 of each of the years 1972 to 1991, inclusive, with interest payable semiannually. Rentals to be paid by Bigelow-Sanford during the original term of the Lease will be sufficient to pay principal

of and interest on the Series A Bonds as the same fall due (L. Sched. B) and Bigelow-Sanford will pay in addition an amount in lieu of and equal to the local property taxes which would have been payable if Bigelow-Sanford were the owner of the Project property. (L. Section 6.02) Bigelow-Sanford is also required to pay the fees and expenses of the Trustee and any paying agents (L. Section 6.05) and all costs of maintenance and operation of the Project, including taxes, if any, other governmental charges (L. Section 6.01 and 6.02), utility charges (L. Section 6.04) and insurance (L. Art. IX).

The Basic Rent payable under the Lease will be paid directly to the Trustee (L. Sections 4.01; I. Sections 4.02 and 4.03) and will be deposited by the Trustee in the Revenue Account (I. Section 4.02) and transferred to the Interest Account and the Bond Retirement Account to pay the principal of and interest on the Series A Bonds when due. (I. Section 4.03) Although it is not anticipated that there will be any substantial sums available for investment (since the Basic Rent payments will correspond exactly in amount to the required payments of principal of and interest on the Series A Bonds), the Trustee is authorized, to the extent from time to time permitted by South Carolina law, and at the direction of Bigelow-Sanford, to invest funds in any of the accounts created under the Indenture in specified classes of conservative securities and the income, profit or losses therefrom are to be credited or charged to the Revenue Account. (I. Sections 4.05 and 5.01) Funds in the Construction Fund Account are to be similarly invested and any profit is to be credited to the Construction Fund Account.

A Bond Redemption Account is created under Section 5.01 of the Indenture. Moneys may be deposited in the Bond Redemption

Account from the prepayment of rent and from condemnation and casualty proceeds and the Trustee is to utilize such proceeds for the redemption of Bonds prior to maturity.

As stated above, Bigelow-Sanford is granted certain renewal options under the Lease. In addition, Bigelow-Sanford has the option to purchase the Project at any time on or after April 1, 1981 under Section 22.03 of the Lease for an amount equal to the entire principal amount of the then outstanding Bonds together with redemption premiums and all interest accrued and to accrue to the next succeeding redemption date of the Bonds plus the sum of \$100.00 as agreed upon by the County and Bigelow-Sanford.

Bigelow-Sanford will equip the Project with machinery and equipment out of its own resources. Such machinery and equipment will not constitute a part of the Project and will not be furnished out of the proceeds of the Series A Bonds.

Bigelow-Sanford is granted an option to purchase any unimproved part of the land included in the Project at a price of \$3,200.00 per acre if certain showings are furnished. (L Section 22.04)

In the event of destruction, major damage or condemnation, Bigelow-Sanford may at its option (i) repair or reconstruct the Project, if necessary, and continue to make rental payments (L. Sections 11.03 and 12.01), or (ii) purchase the Project and/or terminate the Lease after making adequate provision for the retirement of any outstanding Bonds (in the event of condemnation of all or a material part of the Project, Bigelow-Sanford is obligated so to purchase). (L. Section 11.02) Bigelow-Sanford may also be required to purchase the Project if there is a change in the law or any interpretation thereof which would

render the Lease void or unenforceable or impossible of performance in accordance with the intent of the parties or in the event it shall hereafter be determined that the interest on the Bonds is not excludable from the gross income of the recipient thereof under and pursuant to the provisions of the Internal Revenue Code of 1954, as amended. (L. Section 22.01) If any of the above mentioned obligations or options to purchase is exercised at a time when any Bonds are outstanding, the sum to be paid shall be an amount which, when added to moneys held by the Trustee, will be sufficient to retire all of the outstanding Bonds in accordance with the Indenture, including accrued interest to the date of retirement and any applicable redemption premiums and redemption expenses. (L. Sections 22.01 and 22.03)

5. Payments in Lieu of Taxes By Lessee. As is required by Section 6 of the Act, Section 6.02 of the proposed Lease requires Bigelow-Sanford to make payments to the County and to the school district or school districts and other political units wherein the Project is located, in lieu of taxes, in such amounts as would result from taxes levied if Bigelow-Sanford were the owner of the Project, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded Bigelow-Sanford if it were the owner of the Project.

III

Request for Approval

WHEREFORE, the County Council respectfully prays:

1. That the State Board accept the filing of this petition;
2. That thereafter, as soon as may be practicable, the State Board make such independent investigation as it deems advisable;

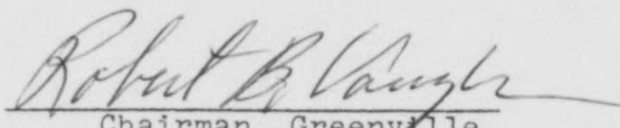
3. That, on the basis of such investigation and the information submitted herewith, the State Board make a finding that the Project is intended to promote the purposes of the Act and is reasonably anticipated to effect such result, and that the State Board, on the basis of such finding, issue its order approving the Project and the issuance of the Series A Bonds; and

4. That the State Board cause notice of its approval to be published in the manner specified in Section 14 of the Act.

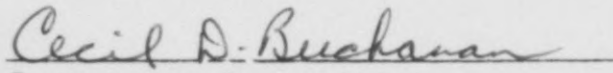
Respectfully submitted,

GREENVILLE COUNTY COUNCIL

By


Chairman, Greenville
County Council

Attest:


Secretary, Greenville
County Council

(SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

I, Cecil D. Buchanan, do hereby certify that I am the duly qualified and acting Secretary of the Greenville County Council of Greenville County, South Carolina.

I further certify that the above and foregoing constitutes a true and correct copy of excerpts from the minutes of a meeting of the Greenville County Council of said County held on May
18, 1971, and of a resolution, together with Exhibit A annexed thereto, adopted at said meeting, as said minutes, resolution and exhibit are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of said Greenville County Council this 20th day of May, 1971.

Cecil D. Buchanan

(Affix)
(Seal)
(Here)

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