

"NCTF" or "NOTES" means the \$1,500,000.00 Greenville County, South Carolina Industrial Revenue Note (H. K. DEVELOPMENT CORP. - Lessee) of the County to be issued, in the principal sum of One Million Five Hundred Thousand and No/100ths (\$1,500,000.00) Dollars, together with interest thereon from the date thereof until maturity at the rate of eight (8%) percentum per annum, said interest and principal to be payable as herein-after provided: Interest only shall be due on June 1, 1980, July 1, 1980, and August 1, 1980, and thereafter principal and interest shall be due and payable in 120 equal consecutive monthly installments of \$18,199.20 each, beginning on the first day of September, 1980, and continuing up to and including the first day of August, 1990; the aforesaid monthly payments each are to be applied first to interest at the rate specified above and the balance of each monthly installment payment to be applied on account of principal.

"PENALTY RATE" means interest at the rate of ten per centum (10%) per annum or such lesser rate as may be the maximum permitted by applicable laws.

"PERMITTED ENCUMBRANCES" means, as of any particular time, (i) liens for ad valorem taxes not then delinquent; (ii) this Lease and the Mortgage; (iii) utility, access and other easements and rights of way, flood rights, encroachments, leases, restrictions, and exceptions that an Independent Engineer and the Authorized Lessee Representative certify will not interfere with or impair the operations being conducted at the Project or in the Building, (or if the Building is not yet complete, the operations to be conducted in the Building or, if the Building has been completed and no operations are being conducted therein, the operations for which the Building was last designed or last modified); (iv) such