

ARTICLE II

REPRESENTATIONS AND UNDERTAKINGS

SECTION 2.1 Representations by the County. The
County makes the following representations as the basis for the
undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina, and is authorized and empowered by the provisions of the Enabling Statutes to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Project constitutes and will constitute a "project" within the meaning of the Enabling Statutes. By proper action of the County Board and the State Budget and Control Board of South Carolina, the County has been duly authorized to execute and deliver this Agreement.

(b) The County has all of the necessary powers, authorizations, consents, and approvals and has, by proper corporate action, agreed to enter into, execute, deliver, and perform (i) this Lease Agreement, (ii) the Assignment of Lease Agreement, dated as of the date hereof, (iii) the Mortgage, dated as of the date hereof, and (iv) the Note; and further, to apply the proceeds from the issuance of the Note as set forth in this Agreement.

(c) The County has acquired from the Lessee, by deed recorded simultaneously herewith, the Leased Land, and has authorized, and does hereby authorize, the Lessee to expand, improve, and construct the Building, to acquire and install the Leased Equipment in the Building or elsewhere on the Leased Land, and to acquire, install, and construct all other things deemed necessary in connection with the Project, and the County proposes to lease the Project to the Lessee, all for the purposes of promoting and employing the manpower and natural resources of South Carolina.

(d) Heretofore, the County and the Lessee did agree as of April 10, 1979, that the County would finance the cost of acquiring, expanding, improving, constructing, and equipping the Project through the issuance of not exceeding \$3,500,000 of Greenville County Industrial Revenue Bonds, pursuant to the Bond Statute. The Lessee has estimated that such cost will be \$3,500,000, and, on the basis of the County's assurances, the Lessee has proceeded to acquire the Leased Land, Building, and some of the Leased Equipment. Because