

properties similar in character to the Project and as do not, in the opinion of the Corporation as evidenced by a certificate of an Authorized Corporation Representative, impair the character or significance of the Project for the purpose for which it was designed or last modified and are not detrimental to the proper conduct of the business of the Corporation at the Project; (v) any mortgage, lease or security interest with respect to machinery and equipment not constituting part of the Project; and (vi) any encumbrance to which the Lender consents in writing.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision.

"Plans and Specifications" shall mean the plans and specifications prepared for the Project, on file at the Corporate Office, as the same may be implemented and detailed from time to time and as the same may be revised from time to time prior to the completion of the acquisition, construction and installation of the Project in accordance with Section 3.07 of this Agreement.

"Prime Rate" shall mean the prime rate of interest publicly announced as such by First National Bank of South Carolina at Columbia, South Carolina, on the date of delivery of the Note to the initial purchaser thereof, including each change in such rate as may be in effect from time to time thereafter, each such change to be effective on the effective date thereof. Upon the merger of First National Bank of South Carolina and The South Carolina National Bank, the prime rate of interest shall be based on the prime rate of The South Carolina National Bank or its successors.

"Principal Payment Date" shall mean any date on which the principal of the Note or any portion thereof shall become due, whether at maturity or by prepayment or acceleration.

"Project" shall mean the facility of the Corporation located on the land described on Exhibit A hereto to be used for warehousing sewing notions and any building or buildings or other improvements thereon; the items of personalty described on Exhibit B hereto and to the Indenture and all other machinery, apparatus, equipment, fixtures and personal property (i) the acquisition of which was financed in whole or in part from the proceeds of the Note and (ii) any modification thereof, substitutions therefor and additions thereto and excluding deletions therefrom and the Corporation's own machinery and equipment installed under the provisions of Section 8.03 of this Agreement.

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