

to practice law before the highest court of any state and not an employee of either Lessor or Lessee.

"INDEPENDENT ENGINEER" means an engineer or engineering firm registered and qualified to practice the profession of engineering under the laws of South Carolina and who or which is not a full time employee of either Lessor or Lessee.

"LEASED LAND" means the real property described in Schedule A attached hereto which by this reference thereto is incorporated herein.

"LEASED PREMISES" means the Leased Land, the Facilities, and the Equipment, all of which constitute warehousing and storage facilities and any other lawful use under the Act.

"LESSEE" means (i) BI-LO, Inc., a South Carolina corporation, and its successors and assigns and (ii) any surviving, resulting or transferee corporation as provided in Section 14.02 hereof.

"LESSOR" means Greenville County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

"PERMITTED ENCUMBRANCES" means, as of any particular time, (i) liens for ad valorem taxes not then delinquent, (ii) this Lease and the Indenture and any restrictions, reservations or exceptions set forth in Schedule A hereto following the description of the Leased Land, (iii) utility, access and other easements and rights of way, flood rights, leases, restrictions and exceptions that an Independent Engineer and the Authorized Representative of Lessee certify will not interfere with or impair the operations being conducted in the Facilities (or, if no operations are being conducted therein, the operations for which the Facilities were designed or last modified), (iv) such minor defects, irregularities, encumbrances, easements, rights of way, and clouds on title as normally exist with respect to properties similar in character to the Facilities and as do not in the opinion of an Independent Counsel, materially impair the property affected thereby for the purposes for which it was acquired or is held by Lessor, and (v) mechanic's and materialmen's liens not filed or perfected in the manner prescribed by law in effect on the date hereof or otherwise.

"SERIES A BONDS" means the \$1,800,000 principal amount First Mortgage Industrial Revenue Bonds, Series A (BI-LO, Inc. - Lessee) of Lessor issued and outstanding under the Indenture.

"TERM" means the Original Term and any additional terms as set forth in Section 3.06 and 3.07 hereof.

"TRUSTEE" means the trustee and/or the co-trustee at the time serving as such under the Indenture.

Section 1.03. References to Lease. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Lease as a whole.

Section 1.04. References to Divisions. References to Articles, Sections, and other subdivisions of this Lease are