

This Indenture of Mortgage and Deed of Trust made and entered into as of the first day of July, 1973 (the "Indenture"), by and between Greenville County, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter sometimes referred to as the "Grantor"), as party of the first part and The Citizens and Southern National Bank of S. C., Columbia, South Carolina, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out, under and by virtue of the laws of the United States, as Trustee (hereinafter sometimes referred to as the "Trustee"), party of the second part;

WITNESSETH:

WHEREAS, the Grantor is authorized and empowered by the provisions of Act No. 103 of the Acts of the General Assembly of the State of South Carolina, for the year 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, (the "Act") to acquire, own, lease, dispose of, and mortgage the properties hereinafter described in order that the industrial development of South Carolina will be promoted and trade developed by inducing manufacturing enterprises to locate in South Carolina and thus utilize and employ manpower and other resources of South Carolina; and

WHEREAS, the Grantor is further authorized by the Act to issue revenue bonds payable solely from the lease rentals, revenues and receipts from any such project and secured by a pledge of said lease rentals, revenues and receipts and by a mortgage on the land, buildings, improvements, machinery and equipment so acquired; and

WHEREAS, to induce BI-LO, Inc., a South Carolina corporation (herein sometimes referred to as the "Corporation"), to locate warehousing and storage facilities in the State of South Carolina, the Grantor has acquired certain real property in the County of Greenville, South Carolina and will construct and equip thereon warehousing, storage and related facilities and has leased the real property, warehousing, storage and related facilities including machinery and equipment (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 July 1, 1973 (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 Grantor is authorized by the Act and deems it necessary to borrow money for the purposes of acquiring, constructing and equipping 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 First Mortgage Industrial Revenue Bonds (BI-LO, Inc. - Lessee), to be issued as coupon bonds registrable as to principal only (hereinafter 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

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