

land, buildings, equipment, machinery and other facilities being hereinafter called the "Project") and paying necessary expenses incidental thereto so as to thereby promote industry and develop trade in South Carolina. The Bonds are issued under and are equally and ratably secured and entitled to the protection given by a Trust Indenture (hereinafter called the "Indenture"), dated as of October 1, 1973, duly executed and delivered by the County to South Carolina National Bank, as Trustee (the term "Trustee" where used herein referring collectively to said Trustee or its successors in said trust). The Project has been leased to the Lessee under and pursuant to a Lease Agreement between the County and the Lessee dated as of October 1, 1973, (hereafter called the "Lease Agreement"). Under the Lease Agreement the Lessee must pay to the County such rentals as will be fully sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same mature and become due, and under the Lease Agreement it is the obligation of the Lessee to pay the cost of maintaining the Project in good repair and to keep it properly insured. All obligations of the Lessee under the Lease Agreement, including payment of the principal, premium, if any, and interest on the Bonds has been unconditionally guaranteed by Macmillan, Inc., a Delaware Corporation, (hereinafter called the Guarantor) under the terms of a Guaranty Agreement among the Guarantor, the Trustee, and the County, dated as of October 1, 1973 (hereinafter called the "Guaranty Agreement"). Copies of the Indenture, the Lease Agreement and the Guaranty Agreement are on file at the principal office of the Trustee in the City of Columbia, State of South Carolina, and are recorded in the Office of the Register of Mesne Conveyance for Greenville County, South Carolina, and reference is made to the Indenture, the Lease Agreement and the Guaranty Agreement for a description of the security, the provisions, among others, with respect to the nature and extent of the security, the charging and collection of rentals for the Project, the rights and remedies of the holders of the Bonds and the coupons appertaining thereto, the rights, duties and obligations of the