

encumbrances or charges (other than Permitted Exceptions) upon the property of the Company, even though not assumed by the Company.

The term "default" means any act or occurrence which, with notice or lapse of time, or both, would constitute an Event of Default.

The term "Event of Default" means any act or occurrence of the character specified in Section 7.1(a) through 7.1(k).

The term "Executive Officer" means, with respect to any corporation, the Chairman of the Board, the President, any Vice President, the Secretary or the Treasurer of such corporation.

The term "Guarantor" means Mercantile Stores Company, Inc., a Delaware corporation, together with any corporation succeeding thereto by merger, consolidation or acquisition of its assets substantially as an entirety.

The term "Guaranty" means the three Guarantys, from the Guarantor to the Company and the Trustees, as amended or supplemented from time to time as permitted hereby or thereby.

The term "Individual Trustee" has the meaning specified in the first paragraph of this Indenture.

The term "Instalment Payment Dates" means, with respect to any Note then outstanding, the January 1st, April 1st, July 1st or October 1st second following the date of

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