

or transferee corporation in any merger, consolidation or transfer of assets permitted under Section 7.02 of this Agreement.

"Cost" or "Cost of the Project" shall mean the cost of acquiring, by construction and purchase, the Project and shall be deemed to include, whether incurred prior to or after the date of this Agreement, (a) obligations of the Corporation incurred for labor, materials and other expenses to contractors, builders and materialmen in connection with the acquisition, construction and installation of the Project; (b) the cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of construction of the Project which is not paid by the contractor or contractors or otherwise provided for; (c) the expenses of the Corporation for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction and installation of the Project; (d) compensation and expenses of the Lender and the Depository, legal, accounting, financial and printing expenses, fees and all other expenses incurred in connection with the execution and delivery of the Note; (e) all other costs which the Corporation shall be required to pay under the terms of any contract or contracts for the acquisition, construction and installation of the Project; (f) costs incurred by the Corporation for the acquisition of the land upon which the Project is located; (g) any sums required to reimburse the Corporation for advances made by it for any of the above items, or for any other work done and costs incurred by the Corporation, which are for the acquisition of land or property of a character subject to the allowance for depreciation provided for under IRC Section 167 included in the Project; and (h) any amount for the payment of interest on the Note accruing prior to the completion of the Project and for which a requisition may be made under Section 3.03 of the Indenture.

"Depository" shall mean the Trust Department of Bankers Trust of South Carolina, a state banking association, organized and existing under the laws of the State of South Carolina.

"Determination of Taxability" shall mean (a) the issuance of a statutory notice of deficiency by the Internal Revenue Service which holds in effect that the interest paid or payable on any portion of the Note is includable in the gross income of a holder or former holder thereof as a result of either (i) the limitations prescribed in IRC Section 103(b)(6)(D) having been exceeded or (ii) any other