

become due, whether at maturity or by prepayment or acceleration.

"Project" shall mean the land described on Exhibit A hereto and to the Indenture and any building or buildings or other improvements thereon; the items of personalty described on Exhibit B hereto and to the Indenture and all other machinery, apparatus, equipment, fixtures and personal property (i) the acquisition of which was financed in whole or in part from the proceeds of the Note and (ii) any modification thereof, substitutions therefor and additions thereto and excluding deletions therefrom and the Corporation's own machinery and equipment installed under the provisions of Section 8.03 of this Agreement.

"Qualifying Costs" shall mean those Costs of the Project which (i) are not Neutral Costs; (ii) are for the acquisition of land or property of a character subject to the allowance for depreciation under IRC Section 167, including all amounts paid or payable and incurred which are chargeable to the capital account for the Project or which would be so chargeable either with a proper election by a taxpayer or but for a proper election by a taxpayer to deduct such amounts; and (iii) are paid or incurred by the Corporation or any related person, as such term is employed in IRC Section 103, after May 3, 1983.

"Registered Owner" shall mean the Person or Persons in whose name or names a particular Note shall be registered on the Note Register.

"State" shall mean the State of South Carolina.

"Subsidiary Guaranty" shall mean the Guaranty dated the date hereof given by National Tool of South Carolina, Inc. to the Lender.