

SECTION 2.02. Representations by Corporation. The Corporation makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Corporation is a corporation duly organized and existing in good standing under the laws of the United Kingdom and duly authorized to transact business in the State; has the corporate power and authority to own its property and to carry on its business as it is now being conducted, and has all necessary federal, state and other licenses and permits to carry on and conduct such business in each jurisdiction in which the transaction of its business makes such licenses and permits necessary; and is duly qualified to do business and is in good standing in each jurisdiction in which the transaction of its business makes such qualifications necessary.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement are prevented or limited by, conflict with, result in a breach or contravention of or constitute a default under the Corporation's Memorandum of Association or any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which it is bound, or any existing law, rule, regulation, judgment, order or decree binding upon it, or will result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation prohibited under the terms of any such instrument or agreement;

(c) The issuance of the Note by the Issuer and the use by the Corporation of the proceeds thereof to defray the costs of the acquisition, by construction and purchase, of the Project, as provided by this Agreement, has induced the Corporation to locate and remain in the State;

(d) Acquisition and construction of the Project was commenced subsequent to March 20, 1984;

(e) The Corporation intends to operate the Project as a facility for the purpose of the preparation of fabrics, including bleaching, dyeing and finishing and for such other purposes permitted under the Act as the Corporation deems appropriate;

(f) The information and estimates set forth in the Letter of Representation are true and correct to the best of the Corporation's information and belief and the Letter of Representation does not omit any statement the omission of which would render any of the statements made