

be entitled to use and occupy the Project from the date on which such aggregate moneys are in the hands of the Bank to and including the expiration date of this lease with no obligation to make the rental payments specified in Section 5.3 hereof during that interval (but otherwise on the terms and conditions hereof).

**SECTION 9.7. Installation of Lessee's Own Machinery and Equipment.** The Lessee may from time to time, in its sole discretion and at its own expense, install machinery, equipment and other property in the Building or on the Leased Land and which may be attached or affixed to the Building or the Leased Land. All such machinery, equipment and other property shall remain the sole property of the Lessee and the Lessee may remove the same from the Building or the Leased Land at any time, in its sole discretion and at its own expense; provided, that any damage to the Project resulting from any such removal shall be repaired by the Lessee at the expense of the Lessee. The Lessee may create any mortgage, encumbrance, lien or charge on any such machinery, equipment and other personal property provided that the same will not diminish or impair the security intended to be given by or under the Mortgage. Neither the County nor the Bank shall have any interest in or Landlord's lien on any such machinery, equipment or personal property so installed pursuant to this Section 9.7 and all such machinery, equipment and personal property shall be and remain the property of the Lessee.

**SECTION 9.8. Reference to Note Ineffective After Notes Paid.** Upon payment in full of the Notes and all fees and charges of the Bank, all references in this Agreement to the Note and the Bank shall be ineffective and the Bank shall thereafter have no rights hereunder, saving and excepting those provided in Sections 8.7 and 12.2 and those that shall have theretofore vested.

## ARTICLE X EVENTS OF DEFAULT AND REMEDIES

**SECTION 10.1. Events of Default Defined.** The following shall be "events of default" under this Agreement and the terms "events of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by the Lessee to pay the rents required to be paid under Section 5.3 of this Agreement applicable to principal and interest within five (5) days of the dates specified in Section 5.3.

(b) Any representation or warranty of the Lessee contained in this Agreement proves to have been false in any material respect at the time it was made, or failure by the Lessee to observe and perform any covenant, condition or agreement (other than as referred to in subsection (a) of this Section) in this Agreement on the part of the Lessee to be observed or performed, for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the Lessee by the County or the Bank, (or in the case of any such default, which cannot with due diligence be cured within such 30-day period, if Lessee shall fail to proceed promptly to cure the same and thereafter to prosecute the curing of such default with due diligence).

(c) A default shall have occurred in respect of any bond, debenture, note, or other evidence of indebtedness of the Lessee for borrowed money in excess of \$50,000 or under any indenture, or other instrument under which any such bond, debenture, note or other evidence of indebtedness for borrowed money has been issued or by which it is governed.

(d) The dissolution or liquidation of the Lessee or the filing by the Lessee of a voluntary petition in bankruptcy, or failure by the Lessee promptly to lift any execution, garnishment or attachment of such consequence as will impair the ability of the Lessee to carry on operations at the Project, or the commission by the Lessee of any act of bankruptcy, or adjudication of the Lessee as a bankrupt, or assignment by the Lessee for the benefit of its creditors, or the entry by the Lessee into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Lessee in any proceeding for its reorganization instituted under the provisions of the general bankruptcy act, as amended, or under any similar act in any domestic or foreign jurisdiction, which may now be in effect or hereafter enacted. The term "dissolution or liquidation of the Lessee," as used in this subsection, shall not be construed to include the cessation of the corporate existence as permitted by Section 8.3 hereof.

**SECTION 10.2. Remedies on Default.** Whenever any event of default referred to in Section 10.1 shall have happened and be subsisting, the County or the Bank may take any one or more of the following remedial steps:

(a) The County or the Bank may, at its option, declare all installments of rent payable under Section 5.3 hereof for the remainder of the Lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.

(b) The County, with the prior written consent of the Bank, may re-enter and take possession of the Project without terminating this Agreement, and sublease the Project for the account of the Lessee, holding the Lessee liable for the difference in the rent and other amounts payable by such sublessee in such subleasing and the rents and other amounts payable by the Lessee hereunder.

(c) The County, with the prior written consent of the Bank, may terminate the Lease Term, exclude the Lessee from possession of the Project and use its best efforts to lease the Project to another for the account of the Lessee, holding the Lessee liable for all rent and other amounts payable by the Lessee hereunder.

(d) In the event any amount shall at the time be outstanding and unpaid on the Note, the County and the Bank may have access to and inspect, examine and make copies of the books and records and any and all accounts, similar data and income tax and other tax returns of the Lessee.

(e) The County or the Bank may take whatever action at law or in equity may appear necessary or desirable to collect the rent and other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Agreement.

Any amounts collected pursuant to action taken under this Section shall be paid to the Bank and applied to payments on the Notes, pro rata, in the inverse order of their maturity (by acceleration or otherwise) or, if the Note and all other amounts due under this Agreement and the Mortgage have been fully paid, to the Lessee.

No action taken pursuant to this Section (including repossession of the Project or termination of the Lease Term) shall relieve the Lessee from the Lessee's obligations pursuant to Section 5.3, Section 8.7, Section 10.2(a) and Section 12.2 hereof, all of which shall survive any such action, and the County or the Bank may take whatever action at law or in equity as may appear necessary and desirable to collect the rent and other amounts then due and thereafter to become due and/or to enforce the performance and observance of any obligation, agreement or covenant of the Lessee hereunder.

**SECTION 10.3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the County or the Bank is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County or the Bank to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the County hereunder shall also extend to the Bank and the Bank shall be deemed a third party beneficiary of all covenants and agreements herein contained.

**SECTION 10.4. Agreement to Pay Attorneys' Expenses.** In the event the Lessee should default under any of the provisions of this Agreement and the County or the Bank should employ attorneys or incur other expenses for the collection of rent or the enforcement of performance or observance of any obligation or agreement on the part of the Lessee herein contained, or should the Bank incur any expense with respect to any obligation of the Bank under Section 12.2 or under any other provision hereunder, the Lessee agrees that it will on demand therefor pay to the County or the Bank the reasonable fee of such attorneys and such other expenses so incurred by the County or the Bank.

**SECTION 10.5. No Additional Waiver Implied by One Waiver.** In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

## ARTICLE XI OPTIONS IN FAVOR OF LESSEE

**SECTION 11.1. Options to Terminate.** The Lessee shall have, and is hereby granted, the following options to terminate the Lease Term and its obligations as Lessee hereunder:

(a) At any time prior to full payment of the Note, the Lessee may terminate this Agreement by paying to the Bank an amount