

ARTICLE VII
REMEDIES ON DEFAULT

Section 7.01. Events of Default: Each of the following events is hereby defined as, and is declared to be and to constitute, an "event of default":

(a) If payment of the principal or any installment of principal of any of the Bonds, when the same shall become due and payable, or within thirty days thereafter, whether at maturity or by proceedings for redemption, by declaration or otherwise, shall not be made; or

(b) If payment of any installment of interest when the same shall become due and payable, or within sixty days thereafter, shall not be made; or

(c) If the Borrower shall discontinue or unreasonably delay or fail to carry on with reasonable dispatch the construction of the Project; or

(d) If the Project shall be destroyed or damaged and shall not be promptly repaired, replaced or reconstructed (whether such failure promptly to repair, replace or reconstruct the same be due to impracticability of such repair, replacement or reconstruction or to lack of funds therefor, or for any other reason); or

(e) If the Borrower shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture, or in any indenture supplemental hereto on the part of the Borrower to be performed, and such default shall have continued for a period of sixty days after written notice, specifying such default and requiring the same to be remedied, shall have been given