

same, or any extensions or renewals thereof, and shall fully pay all other indebtedness or liability that may become due and owing hereunder and secured hereby, and shall faithfully and promptly comply with and perform each and every other covenant and provision herein and in the Loan Agreement on the part of the Company, then these presents shall be void and shall be released at the expense of the Company.

DEFAULT

If any of the following events (herein called "Events of Default") shall occur:

(a) if the Company shall default in the payment of the principal or of the interest on the Notes when the same shall mature or become due and payable, either by the terms thereof or otherwise as herein provided; or

(b) if the aggregate of the amounts collected in any three months' period on account of the stock subscriptions and the capital retains referred to, respectively, in paragraphs (o) and (p) of Section 4 of the Loan Agreement shall amount to less than \$180,000; or

(c) if, so long as any of the 3% promissory notes or obligations referred to in subdivision (ii) of Section 5 hereof shall remain outstanding, the Company shall fail to set aside in a special bank account all of the capital retains referred to in paragraph (p) of Section 4 of the Loan Agreement collected by the Company and apply the same at least quarterly to the payment of said promissory notes or obligations; or

(d) if the Company or any Subsidiary shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; or