

(c) Certain Acts Required.

(1) **Proper Care and Inspection.** Debtor shall maintain the Collateral in good and saleable condition, repair it if necessary, clean, shelter, and otherwise deal with the Collateral in all such ways as are considered good practice by owners of like property. Debtor shall use the Collateral lawfully and only as permitted by insurance policies. Secured Party may enter upon the premises where the Collateral is located and examine it.

(2) **Insurance.** Debtor shall keep the Collateral insured for the benefit of Secured Party against loss by fire and other casualties or risks in such form and amount, with such companies, as may be required by Secured Party. Debtor agrees to deliver the policies to Secured Party upon request, and authorizes Secured Party to make or compromise any claim thereunder. Debtor hereby appoints the Secured Party the attorney for the Debtor in obtaining, adjusting and cancelling any such insurance and endorsing settlement drafts and hereby assigns to the Secured Party all sums which may become payable under such insurance, including return premiums and dividends, as additional security for the indebtedness. Debtor shall give immediate written notice to the Secured Party and to insurers of loss or damage to the Collateral and shall promptly file proofs of loss with insurers.

(3) **Encumbrances and Taxes.** Debtor shall keep the Collateral free from all security interests (other than of this agreement), liens, claims, charges, encumbrances, taxes and assessments and shall pay when due all taxes and assessments relating to the Collateral.

(4) **Information.** Debtor shall furnish promptly to Secured Party any information Secured Party may reasonably require. Debtor represents and warrants that any information at any time supplied to Secured Party (including, but not limited to, the value and condition of the Collateral, and the accuracy of any financial statements) is (or will be) correct.

(5) **Notification of Change.** Debtor shall notify Secured Party promptly of any change in the location of the Collateral or in Debtor's residence, place or places of business or mailing address.

(f) Failure to Perform Required Acts.

(1) **Performance by Secured Party.** Upon failure by the Debtor to perform the acts described in paragraph (e) above, the Secured Party is authorized and has the option to perform any of said acts in any manner deemed proper by the Secured Party, without waiving any rights to enforce this agreement.

(2) **Advances Secured.** The reasonable expenses (including, without limitation, attorney's fees and the cost of any insurance and payment of taxes or other charges) paid by the Secured Party in respect to the Collateral shall be deemed advanced to the Debtor by the Secured Party, shall bear interest at the highest rate provided in the above described note, and shall be secured by this agreement.

5. When Obligations Become Due. At the option of the Secured Party, the obligations secured by this agreement shall become immediately due and payable in full upon the happening of one or more of the following events:

(a) **Default in Obligations.** If the Secured Party shall elect to accelerate the maturity of the indebtedness secured by said note pursuant to the provisions of the note or of any other instrument which may be held by the Secured Party as security for the note.

(b) **Default in Security Agreement.** If the Debtor shall fail to perform any covenant, condition or provision of this agreement and such default shall have continued for a period of twenty (20) days after written notice thereof shall have been given by the Secured Party to the Debtor, or if any representation herein shall be false or if any warranty herein shall be breached.

(c) **Miscellaneous.** Without in any way limiting the generality of the foregoing:

(1) If the Debtor shall fail to comply with any statute, requirement, rule, regulation, order or decree, of any federal, state, municipal or other governmental authority relating to the Collateral.

(2) If the Collateral or any portion thereof, or any interest of the Debtor therein, be levied upon by virtue of an execution issued upon any judgment or any other process.

6. Remedies Upon Default.

(a) **General.** In the event of default under this agreement, the Debtor and the Secured Party shall have the rights and remedies provided in Part 5, Article 9 of the Uniform Commercial Code and, in addition, those provided in this agreement.

(b) **Assembly of Collateral.** In the event of default the Debtor shall, upon request of the Secured Party, assemble the Collateral and make it available to the Secured Party at a place reasonably convenient to both parties designated by the Secured Party.

(c) **Cash or Credit Sales.** It is agreed that sales for cash or on credit to a wholesaler, retailer, or user of property of the type subject to this agreement or at public or private auction are all commercially reasonable.

(d) **Notice of Disposition.** Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give the Debtor notice of the time and place of any public sale of any of the Collateral or of the time after which any private sale or any other intended disposition thereof is to be made by sending notice, first-class postage prepaid and addressed to the Debtor at the latest address of Debtor appearing on the records of the Secured Party at least five days before the time of the sale or other disposition, which provisions for notice the Debtor and Secured Party agree are reasonable.