

and which constitute valuable consideration to Mortgagee for, the extending to Mortgagor of the Indebtedness evidenced by the Note and (ii) any change in such identity or expertise could materially impair or jeopardize the security for the payment of the Note granted to Mortgagee by this Mortgage. Mortgagor therefore covenants and agrees with Mortgagee, as part of the consideration for the extending to Mortgagor of the Indebtedness evidenced by the Note, that Mortgagor shall not encumber, pledge, convey, transfer or assign any or all of its interest in the Premises or the City Project (either before or after acceptance of possession thereof by Mortgagor) nor shall Mortgagor permit the sale, transfer, encumbrance or assignment of any of the shares of capital stock of Mortgagor by any present owner or owners thereof without the prior written consent of Mortgagee.

1.19 Acquisition of Collateral. Mortgagor shall not acquire any portion of the personal property covered by this Mortgage subject to any security interest, conditional sales contract, title retention arrangement or other charge or lien taking precedence over the security title and lien of this Mortgage.

ARTICLE II

2.01 Default. The term "Default" or "Defaults", wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Mortgagor to pay as and when due and payable any portion of the Indebtedness, interest thereon, or any taxes or insurance premium required by the terms hereof to be paid by Mortgagor; or

(b) Failure by Mortgagor duly to observe or perform any other term, covenant, condition or agreement of this Mortgage or of the Note; or