

any of the Collateral Documents; or (iii) waive or release any person from the performance or observance of any obligation or condition of any of the Collateral Documents;

(c) Lender shall not be obligated to perform or discharge any obligation of Borrower under any of the Collateral Documents, and Borrower agrees to and does hereby indemnify and hold Lender harmless against any and all liability, loss, or damage which Lender may incur under any of the Collateral Documents or under or by reason of this Assignment and from all claims and demands whatsoever which may be asserted against Lender by reason of an act of Lender under this Assignment;

(d) This Assignment shall be deemed a security agreement under the Uniform Commercial Code of South Carolina (hereinafter referred to as the "U.C.C."), and Borrower hereby grants to Lender a security interest in and to all of Borrower's rights, title, and interest in the Collateral Documents and the proceeds thereof.

## ARTICLE II

2.01 Event of Default. The phrase "Event of Default," wherever used in this Assignment, shall mean any one or more of the following events:

(a) The occurrence of any "Default" or "Event of Default" as defined in Article VII of the Security Instrument; or

(b) The failure of Borrower to observe any covenant, condition, or agreement of this Assignment or any of the Collateral Documents or the breach of any warranty by Borrower contained in this Assignment.

2.02 Remedies. Upon the occurrence of any Event of Default, in addition to any and all other rights and remedies available to Lender in connection with the Obligations and under the Security Instrument, and not in substitution therefor or in derogation thereof, and without any notice to Borrower, Lender may (i) proceed to perform any and all obligations of Borrower under any of the Collateral Documents and exercise any and all rights of Borrower therein contained as fully as