

ARTICLE TWO

DEFAULTS

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

(a) The occurrence of any event, or the failure to perform properly or timely, or the presence or absence of any state of facts or condition pursuant to which Mortgagee is entitled to exercise the rights and powers enumerated in section 24 of the Contract.

(b) A breach by Mortgagor of any of the obligations, covenants, agreements or conditions hereof.

(c) Default by Mortgagor under any instrument creating a lien on or security interest in all or any portion of the Mortgaged Property, or any agreement or obligation of Mortgagor affecting all or any portion of the Mortgaged Property, or any other documents or instruments securing any other indebtedness of Mortgagor to Mortgagee, if such default is not cured within any grace period permitted therein. Mortgagor shall notify Mortgagee in writing promptly upon the occurrence of each such default, specifying the nature of such default.

(d) Material breach of any warranty or material untruth of any representation of Mortgagor contained in any application for or material submitted to the Mortgagee in connection with the loan evidenced by the Contract, or in the Contract, this Mortgage, or any other instrument securing the Contract.

(e) Default in payment by Mortgagor of any obligations arising under the Contract.

2.02 Acceleration of Maturity. If an Event of Default shall have occurred, Mortgagee may declare the outstanding principal amount of the Contract and the interest accrued thereon, and all other sums secured hereby, to be due and payable immediately, and upon such declaration such principal and interest and other sums shall immediately become and be due and payable without demand or notice.

2.03 Mortgagee's Power of Enforcement. If an Event of Default shall have occurred, Mortgagee may, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy: (a) to enforce payment of the Contract or the performance of