

taxes, assessment, claim, lien or encumbrance and make such repairs as it reasonably deems desirable, and the amount paid therefor shall constitute a further lien and shall be secured hereby and shall be due and payable forthwith and shall bear interest at the highest rate per annum that any of the bonds secured by this Indenture bear from the date of such payment and until repayment thereof.

ARTICLE VII

DEFAULT AND REMEDIES

Section 1. Events of Default. Should an event of default occur, Trustee shall be entitled to exercise one or more of the remedies provided herein, which remedies shall be cumulative. For purposes hereof, an event of default shall include the following:

- (a) Failure or refusal of Issuer to pay principal and interest on any of the bonds when due and payable.
- (b) Failure or refusal of Issuer to pay any taxes, assessments, insurance or claims, liens or encumbrances prior to or in parity with the lien of this Indenture, or to keep the Premises in repair.
- (c) Should Issuer make any assignment for the benefit of creditors, or should a receiver, liquidator, or Trustee of Issuer or of any of the Issuer's property be appointed, or should any petition for the bankruptcy, reorganization, or arrangement of Issuer be filed, or should Issuer be adjudicated a bankrupt or insolvent, or should Issuer be liquidated or dissolved, or its charter expire or be revoked.
- (d) Failure of Issuer to keep, observe, perform, carry out and execute in every particular the covenants, agreements, obligations and conditions set out in this Indenture or in the bonds.

Section 2. Acceleration. If any event of default hereunder continues for a period of thirty (30) days, then the Trustee may, and if the holders of twenty-five (25%) percent in the amount of the principal sum of the bonds then outstanding in writing so request, the Trustee shall, by notice to the Issuer, declare the principal of all bonds then outstanding hereunder together with all accrued interest thereon, and all taxes, assessments and insurance monies unpaid, to be forthwith due and payable. This provision, however, is subject to the condition that if at any time after the principal of said bonds shall have been so declared due and payable and before any sale of the Premises shall have been made, all defaults hereunder shall have been cured and all amounts for which the Issuer shall then be in default under this Indenture has been satisfied (together with the expenses and reasonable charges of the Trustee, including the expenses and reasonable attorney's fees, with interest at the highest rate per annum that any of the bonds secured by this Indenture bear, and which shall be paid by the Issuer), then the Trustee shall waive such default and its consequences by written notice to Issuer but no such waiver shall extend to or effect any subsequent default or impair any rights consequent hereon.

Section 3. Surrender of Premises. Upon any event of default which continues for a period of thirty (30) days, the Issuer, upon demand of the Trustee, shall forthwith surrender to the Trustee the actual possession of, and it shall be lawful for the Trustee, by such officer or agents, servants and employees as it may appoint, to take possession of the Premises (with the relevant books, papers and accounts of the Issuer), to hold, operate and manage such property; to make needful repairs, and such alterations, additions, advances and improvements as shall seem wise; and to receive the rents, income, issues and profits thereof and out of them to pay all proper costs and expenses of so taking, holding and managing such property, including reasonable compensation to the Trustee, its agents, servants and employees and counsel, and any charges of the Trustee hereunder, and to pay any taxes, assessments and other charges prior to the lien of these presents which the Trustee may deem it wise to pay. The remainder of the monies so received shall be utilized to pay interest and principal on the bonds. However, it is not obligatory upon the Trustee to take possession in the event of default.

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