

ARTICLE FOURTRANSFER OR FURTHER ENCUMBRANCE OF THE PROPERTY4.01 Transfer or Further Encumbrance of the Property.

Except as may be permitted by the Loan Agreement, in the event of any sale, conveyance, transfer, lease, pledge or further encumbrance of the Property or any interest in or any part of the Property, or any further assignment of rents from the Property without the prior written consent of Lender then, at Lender's option, Lender may declare all Obligations of the Borrower to be due and payable immediately without demand or notice. The Borrower agrees that in the event the ownership of the Property or any part thereof becomes vested in a person other than the Borrower, Lender may, without notice to the Borrower, deal in any way with such successor or successors in interest with reference to this Mortgage and the Obligations hereby secured without in any way vitiating or discharging the Borrower's liability hereunder or under the Loan Documents. No transfer or encumbrance of the Property or any interest therein and no forbearance or assumption by any person with respect to this Mortgage and no extension to any person of the time for payment of the Obligations hereby secured given by Lender shall operate to release, discharge, modify, change or affect the liability of the Borrower either in whole or in part, unless Lender specifically agrees in writing to the contrary.

ARTICLE FIVEMISCELLANEOUS PROVISIONS

5.01 Successors and Assigns Included in Parties. Whenever one of the parties hereto is named or referred to herein, the successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of the Borrower or Lender shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

5.02 Addresses for Notices, Etc.

(a) Any notice, report, demand or other instrument authorized or required to be given or furnished under this Mortgage to the Borrower or Lender shall be deemed given or furnished (i) when addressed to the party intended to receive the same, at the address of such party set forth below, and delivered at such address, or (ii) three (3) days after the same is deposited in the United States mail as first-class certified mail, return receipt requested, postage paid, whether or not the same is actually received by such party:

Lender: BarclaysAmerican/Business Credit, Inc.  
2302 West Meadowview Road  
Post Office Box 7016  
Greensboro, North Carolina 27407

Borrower: Woven Electronics Corporation  
Evans Street - City View  
Post Office Box 367  
Greenville, South Carolina 29602

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

5.03 Headings. The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof, and