

Section 5.5 Agreement to Pay Attorneys' Fees and Expenses. In the event the Corporation should default under any of the provisions of this Mortgage and the Bank should employ attorneys or incur other expenses for the collection of amounts due or the enforcement of performance or observance of any obligation or agreement on the part of the Corporation in this Mortgage or the Reimbursement Agreement, the Corporation agrees that it will on demand therefor pay to the Bank, the fees of such attorneys and such other expenses; and any such amounts paid by the Bank shall be added to the indebtedness secured by the mortgage lien and security interest of this Mortgage.

Section 5.6 Estoppel Affidavits. The Corporation, upon ten (10) days' prior written notice, shall furnish the Bank with a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether or not any offsets or defenses exist against such principal and interest.

Section 5.7 Subrogation. The Bank shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the indebtedness secured hereby or are otherwise discharged or paid by the Bank.

#### ARTICLE VI SECURITY AGREEMENT

Section 6.1 Security Agreement. Insofar as the Equipment, the Inventory and the Gross Receipts (as Inventory and Gross Receipts are defined in Exhibit "C" attached hereto and incorporated herein by reference) are concerned, this Mortgage is hereby declared to be a security agreement, and the Corporation hereby grants to the Bank, its successors and assigns, a security interest in every item of the Equipment, the Inventory and the Gross Receipts, and in all cash and non-cash proceeds (including insurance proceeds) of any of the foregoing in compliance with the provisions of the South Carolina UCC. Appropriate financing statements shall be executed by the Corporation, as debtor, and the Bank, as secured party, and appropriately filed. The remedies for any violation of the terms of the security agreement herein contained shall be (i) as prescribed herein, or (ii) as prescribed by general law, or (iii) as prescribed by the specific statutory consequences now or hereafter specified in said South Carolina UCC, all at the Bank's sole election.

The Corporation and the Bank agree that the filing of such financing statement(s) in the records normally having to do with personal property shall never be construed as in any way derogating from the hereby stated intention of the Corporation and the Bank that the Equipment is and at all times and for all purposes and in all proceedings, both legal or equitable, shall be regarded to the maximum extent permitted by law as part of the Land, if located thereon, irrespective of whether (1) any such

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