

ARTICLE II
IMPOSITIONS AND UTILITIES

Section 2.1. Duty to Pay Impositions. Grantor shall, during the life of this Agreement, bear, pay and discharge, before the delinquency thereof, all taxes and assessments, general and special, if any, and all water and sewer and sewer service charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable with respect to the Project, or any part thereof, or any improvements at any time thereon, or any interest of the Grantee therein, or which by any present or future law may be prior to or on a parity with the indebtedness secured hereby either in lien or in distribution out of the proceeds of any judicial sale, including any new lawful taxes, charges, impositions and assessments that may be lawfully taxed, charged, levied, assessed or imposed in lieu of or in addition to taxes, charges, impositions or assessments now customarily levied, charged, or imposed against real and personal property (all of the foregoing being herein referred to as "Impositions"). In the event any special assessment taxes are lawfully levied and assessed which may be paid in installments, Grantor shall be required to pay only such installments thereof as become due and payable during the life of this Agreement as and when the same become due and payable.

Section 2.2. Contest of Impositions. Grantor shall have the right to contest in good faith the validity or amount of any Imposition which Grantor is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal or administrative proceedings instituted before the Imposition complained of becomes delinquent if, and provided, Grantor, before instituting any such contest, gives Grantee written notice of its intention so to do and, if requested in writing by Grantee, deposits with Grantee a bond in favor of Grantee, with a surety company reasonably acceptable to Grantee as surety, in the face amount of at least twice the amount of the Imposition so contested conditioned upon the payment, if so adjudged, of the contested Imposition, together with all interest and penalties accruing thereon and costs of suit. Grantor covenants to diligently