

item is physically attached to the improvements, (2) serial numbers are used for the better identification of certain items capable of being thus identified, or (3) any such item is referred to or reflected in any such financing statement(s).

Subject to Permitted Encumbrances and the provisions of Sections 2.1 and 2.2 hereof, the Corporation further covenants that all of the Equipment shall be owned by the Corporation and shall not be the subject matter of any lease or other instrument, agreement or transaction whereby the ownership or beneficial interest thereof or therein shall be held by any person or entity other than the Corporation; nor shall the Corporation create or cause to be created any security interest or lien covering any such property, other than the security interest created herein in favor of the Bank.

Section 6.2 Identification of Debtor and Secured Party. The Corporation warrants that (i) the Debtor's and the Secured Party's respective names, identities or corporate structures, and its residence or principal place of business, are as set forth in Exhibit "D" hereof; (ii) the Debtor has been using or operating under said name, identity or corporate structure without change for the time period set forth in Exhibit "D" hereof; and (iii) the location of the collateral presently in existence is upon the Land, except as set forth in Exhibit "D" hereof. The Corporation covenants that the Corporation will furnish the Bank with notice of any change in the matters addressed by clauses (i) and (iii) of this subsection within thirty (30) days of the effective date of any such change, and the Corporation will promptly execute any financing statements or other instruments deemed necessary by the Bank to prevent any filed financing statement from becoming misleading or losing its perfected status.

ARTICLE VII  
EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default Defined. Any one or more of the following shall be "events of default" under this Mortgage:

(a) Failure by the Corporation to pay as and when due and payable any payment required or secured by this Mortgage; or

(b) Failure by the Corporation to observe and perform any covenant in this Mortgage on its part to be observed or performed, other than as referred to in subsection (a) of this Section, for a period of fifteen days after written notice, specifying such failure and requesting that it be remedied, is given to the Corporation by the Bank; or

(c) The occurrence of an event of default under the Reimbursement Agreement.