

is appointed, or if it makes an assignment for the benefit of creditors, or if it is adjudged insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the Mortgaged Property and is not discharged within thirty (30) days from the commencement thereof.

(iv) A default under the Note or a default or an event of default under the Other Agreements referred to herein.

(v) A default under the Continuing Guaranty Agreement of even date herewith executed by James T. Cobb, William A. Cooper and Thomas H. Cluderay.

(vi) The voluntary or involuntary dissolution or termination of Mortgagor or the liquidation of the assets of Mortgagor.

(vii) Except as expressly permitted in this Mortgage, Mortgagor's obtaining any additional or future advances, or incurring any additional indebtedness or obligations of any character, whether direct or indirect, the repayment of which is secured by a lien on the Mortgaged Property.

(viii) The occurrence of existence of any default, event of default or breach of or under any agreement, instrument or document for borrowed money by which Mortgagor or the Mortgaged Property is bound or obligated, other than the Liabilities and/or the Obligations hereunder.

(ix) Except as expressly permitted herein, any sale or other transfer described in paragraph 3.3(iv) above.

6.2 Upon the occurrence of an Event of Default, Mortgagee, after notice and demand insofar as required hereby, or by applicable law, in its sole discretion and at its sole election, without notice of such election, and without further demand, may do any one or more of the following:

(i) Declare all of Mortgagor's Liabilities immediately due and payable and collect the same at once by foreclosure or otherwise, without notice of broken covenant or condition (and in case of an Event of Default and the exercise of such option, Mortgagor's Liabilities shall bear interest, from the date of such default, at the Default Rate until paid in full).

(ii) Either with or without process of law, forcibly or otherwise, enter upon and take immediate possession of the Mortgaged Property, expel and remove any persons, goods or chattels occupying or upon the same, receive all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property as fully as Mortgagor might do if in possession thereof, including without limitation, the making of all repairs and replacements deemed necessary by Mortgagee and the leasing of the same, or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to Mortgagor's Liabilities or upon any deficiency decree entered in any foreclosure proceeding. At the option of Mortgagee, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice served personally upon or sent by registered mail to the Mortgagor at the address of Mortgagor last appearing on the records of Mortgagee. Mortgagor agrees to surrender possession of the Mortgaged Property to Mortgagee immediately upon the occurrence of an Event of Default. If Mortgagor shall remain in physical possession of the Mortgaged Property, or any part thereof, after any such default, such possession shall be as a tenant of Mortgagee, and Mortgagor agrees to pay to Mortgagee, or

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