

which statements shall include a balance sheet as of the end of such fiscal year and an income and profit and loss statement for such fiscal year.

All financial statements furnished to the mortgagee pursuant to this Section shall be prepared in a form satisfactory to the mortgagee and in accordance with generally accepted accounting principles.

§ 10. At any and all times, during regular business hours, the mortgagor will permit the mortgagee, by its agents and attorneys, to inspect the premises or the equipment.

§ 11. At any time when the mortgagee has the right under the provisions of § 4 hereof to declare said principal sum and interest due, if the management or maintenance of the premises or the equipment or any part thereof or of the business of the mortgagor thereon or with respect thereto shall be determined by the mortgagee to be unsatisfactory, the mortgagor shall employ, at the expense of the mortgagor, for the duration of such default, such managerial or supervisory employees as may from time to time be designated by the mortgagee and in that event all income from the premises or the equipment shall be applied to payment of the following, in such amounts, if any, and in such order of priority as the mortgagee shall determine:

Operating, maintenance and repair expenses;

Amounts due and payable under the note or this mortgage; and

Amounts due and payable under conditional sale contracts, conditional bills of sale or chattel mortgages.

In any such event, the mortgagor, upon request, will make, execute and deliver any and all assignments, and other instruments as may be sufficient to accomplish the foregoing.

§ 12. The mortgagor warrants that the mortgagor has

(a) good title in fee simple to the premises and good title to the equipment, subject, however, to leases which meet the requirements of § 14 and to minor easements and restrictions of record which do not materially interfere with the business conducted or proposed to be conducted on the premises, and except as to certain of the equipment, which is subject to equipment leases, conditional sale contracts, conditional bills of sale or chattel mortgages; and

(b) the right to grant, bargain, sell, release, convey, assign, transfer, mortgage and confirm the same, subject, however, to said leases, easements and restrictions and, in the case of certain of the equipment, to said equipment leases, contracts, bills of sale or mortgages.

The mortgagor, upon request and whether or not the mortgage be then in default, shall make, execute, acknowledge and deliver all such further deeds and assurances as may at any time hereafter be reasonably desired or required for the more fully and effectually conveying the premises and the equipment hereby granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged and confirmed or intended so to be, unto the mortgagee, for the purposes as aforesaid, and will warrant and defend the premises and the equipment and the title thereto unto all and every person or persons, corporation or corporations, trust or trustee, deriving any estate, right, title or interest therein under this mortgage, any assignment thereof or the power of sale herein contained, against the mortgagor and all persons whomsoever.

§ 13. Except as hereinafter provided, the mortgagor will not assign the whole or any part of the rents, issues, profits and income of the premises or the equipment or any part thereof without the written consent of the mortgagee and any assignment thereof shall be null and void. The mortgagor hereby assigns to the mortgagee the rents, issues, profits and income of the premises and the equipment as further security for the payment of the indebtedness secured hereby, and the mortgagor grants to the mortgagee the right to enter upon the premises for the purpose of collecting the same and to let the premises or any part thereof, and to apply such rents, issues, profits and income, after payment of all necessary charges and expenses, on account of said indebtedness. This assignment and grant shall continue in effect until the indebtedness secured by this mortgage is paid. The mortgagee hereby waives the right to enter upon the premises for the purpose of collecting said rents, issues, profits and income, and the mortgagor shall be entitled to collect and receive said rents, issues, profits and income until such time as the mortgagee has the right under the provisions of § 4 hereof to declare said principal sum and interest due. The mortgagor agrees to use such rents, issues, profits and income in payment of principal and interest becoming due on the note of this mortgage and in payment of taxes, assessments, sewer rents, water rates and other charges becoming due against the premises or the equipment. Said waiver may be revoked, at the option of the mortgagee, upon any default, on 5 days' notice to the mortgagor. Upon any such revocation, the mortgagor hereby agrees to execute such further documents and to give such further assurances as may be necessary to vest effectively in the mortgagee the right to enter upon and use the premises and equipment and to collect such rents, issues, profits and income.

The mortgagor will not, without the written consent of the mortgagee, receive or collect rent from any tenant of the premises or any part thereof for a period of more than one month in advance (excluding, however, security deposits for not more than 3 months' rent), and in the event of any default under this mortgage will pay monthly in advance to the mortgagee or to any receiver appointed to collect said rents, issues, profits and income the fair and reasonable rental value for the use and occupation of the premises or of the equipment or of such part thereof as may be in the possession of the mortgagor, and upon default in any such payment will vacate and surrender the possession of the premises and the equipment to the mortgagee, its assignee or designee, or to such receiver, and in default thereof may be evicted by summary proceedings.

§ 14. The mortgagor will not lease the premises or the equipment or any part thereof without the prior written consent of the mortgagee to the lessee and to the form and substance of the lease. The mortgagor will not consent to the amendment of any lease of the premises or the equipment or any part thereof without the prior written consent of the mortgagee to the form and substance of such amendment. Each lease of any part of the premises shall provide that:

(a) such lease shall, at the option of the mortgagee, be assigned to the mortgagee and in any event shall be subordinate to this mortgage;

(b) such lease shall not be assigned or materially altered without the consent of the mortgagee;

(c) the lessee under such lease shall, if so directed by the mortgagee, make all payments thereunder directly to any bank, trust company or other person designated by the mortgagee; provided, however, that any