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liability of the Mortgagor or a charge upon its general credit or against its taxing powers, but shall be payable solely from the payments derived from H. K. Development Corp. pursuant to the Loan Agreement and nothing in the Bond or in this Mortgage shall be considered as pledging any other funds or assets of the Mortgagor.

AND IT IS AGREED that the within Mortgage shall constitute a Security Agreement under the Uniform Commercial Code as adopted in the State of South Carolina, creating a lien on all of the fixtures and equipment described in II above. The Mortgagor shall have the right to replace any of the property covered by the security interest granted on all items described in II above with property of a like kind and of comparable quality.

AND IT IS AGREED between the parties hereto that reference is made to the Lease Agreement and Mortgage included in the 1980 Note and recorded in the RMC Office for Greenville County in Mortgage Book 1124 at page 86, and Book 1500 at page 945, respectively, for the terms and conditions relating to the obligations of H. K. Development Corp. in respect to the premises. H. K. Development Corp. hereby specifically agrees to comply with such requirements until the Bond and this Mortgage are fully discharged, including specifically, but not limited to, the obligations assumed under sections 6.3, 6.4, 6.5, 6.6, 6.7 and 6.8 of that Lease Agreement.

AND IT IS AGREED, by and between the said parties that (a) upon any default being made (i) in the due and punctual payment of any interest on the Bond; (ii) in the due and punctual payment of the principal of the Bond, whether at the stated maturity thereof, or otherwise; or (iii) any payment due under the terms of the Bond; or (b) upon the occurrence of a default under the Security Agreement, Loan Agreement, this Mortgage, the Guaranty, the Note, the Bond or the Bond Ordinance or the Lease, Mortgage, Note, Note Ordinance, Guaranty or any other instrument forming a part of the 1980 Issue or this 1983 Issue, that then the entire amount of the debt secured or intended to be secured hereby, shall forthwith become due, at the option of the Mortgagee, its successors or assigns, although the period for the payment of the debt may not then have expired.

AND IT IS AGREED, by and between the parties that upon any default, and failure to cure if so provided, then the entire debt secured or intended to be secured hereby shall become due, at the option of the Mortgagee, and the lien on the above described premises created and vested by this Mortgage may be foreclosed either by sale at public outcry or by proceedings in equity and the Mortgagee may become the purchaser at any foreclosure sale if it is the highest bidder. No delay or omission by the Mortgagee to exercise any right or power accruing upon a default shall impair any such right or be construed to be a waiver; any such right may be exercised from time to time and as often as may be deemed expedient; and no waiver of any default hereunder shall be deemed to constitute a waiver of any other default or impair any right consequent thereon.

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