

or other encumbrance upon any of the Properties or any of its property or assets whether now owned or hereafter acquired, except (i) this Mortgage and the Lease, (ii) Permitted Encumbrances, (iii) easements, restrictions, liens, charges and other encumbrances permitted by the Lease, (iv) liens being contested in good faith and by appropriate proceedings in the manner permitted by Article XV of the Lease, and (v) liens arising out of or created by any statute, the discharge of which cannot under the terms of such statute at the particular time be effected by the Company; provided, however, that any such statutory liens will promptly be discharged as and when such discharge is possible or permissible;

(d) Alterations; Replacements, etc. Make, or permit Jackson-Atlantic to make, alterations, additions and replacements (collectively, the "Alterations") to the Improvements or any part thereof except in accordance with Article IX of the Lease. Any Alterations shall immediately become subject to the lien of this Mortgage and the applicable Individual Mortgage and shall become part of the Improvements. However, all materials which are scrapped or removed from the Properties in connection with the Alterations permitted hereby or the repairs required by Section 5(b) shall be deemed released from the lien of this Mortgage and the applicable Individual Mortgage and may be dealt with by the Company or Jackson-Atlantic in accordance with the applicable provisions of the Lease;

(e) Merger, etc. Merge or consolidate with any other corporation (other than into or with Jackson-Atlantic) or sell, lease, transfer or otherwise dispose of all or a substantial part