

(b) sell, mortgage, transfer, assign or hypothecate its interest in the Collateral except in accordance with the terms of the Loan Agreement and this Security Agreement and Conditional Assignment.

SECTION 4. DEFAULTS AND OTHER PROVISIONS.

An "Event of Default" under this Security Agreement and Conditional Assignment shall occur if and when there shall be a default by the County or the Hospital under:

- (a) the Loan Agreement; or
- (b) the Bond; or
- (c) the Hospital Note; or
- (d) the Hospital Mortgage; or
- (e) the Hospital Security Agreement;

and any applicable time for notice and/or for curing the default shall have lapsed.

SECTION 5. BANK'S RIGHTS.

The County agrees that when any Event of Default has occurred and is continuing:

(a) The Bank shall have the rights, duties and remedies of a secured party and the County shall have the rights and duties of a debtor under the Uniform Commercial Code of the State of South Carolina, regardless of where action may be taken to enforce those rights and duties; and

(b) The Bank may, by notice in writing to the County and the Hospital, declare the entire unpaid balance of the Bond to be

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