

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 an Event of Default by the County or the Hospital under:

- (a) the Loan Agreement; or
- (b) the 1981 Bond; or
- (c) the 1982 Bond; or
- (d) the 1981 Hospital Note; or
- (e) the 1982 Hospital Note; or
- (f) the Hospital Mortgage; or
- (g) the Hospital Security Agreement; or
- (h) if and when there shall occur a violation of Section 3 hereof;

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 1981 Bond and the 1982 Bond to be immediately due and payable; and thereupon the