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1.16 Legal Actions. In the event that Borrower is involuntarily made a party in any action or proceeding affecting the Premises, the Note, the Indebtedness, or the validity or priority of this Mortgage, the Borrower shall immediately, upon demand, reimburse Lender for all costs, expenses and liabilities incurred by Lender by reason of any such action or proceeding, including reasonable attorneys' fees, and any such amounts paid by Lender shall be added to the Indebtedness and shall be secured by this Mortgage.

ARTICLE II

- 2.01 <u>Default</u>. The terms "Default" or "Defaults", wherever used in this Mortgage, shall mean any one or more of the following events:
- (a) Failure by Borrower to pay, as and when due and payable, any portion of the Indebtedness; or
- (b) Any warranty of Borrower contained in this Mortgage, or in any loan agreement, assignment of leases or any other agreement now or hereafter evidencing or securing or otherwise relating to the Note or this Mortgage or the Indebtedness proves to be untrue or misleading in any material respect; or
- (c) The filing by Borrower or any endorser or guarantor of the Note of a voluntary petition in bankruptcy or the filing by Borrower or any such endorser or guarantor of any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief for itself under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other relief for debtors, or Borrower's or any such endorser's or guarantor's seeking or consenting to or acquiescing in the appointment of any trustee, receiver or liquidator of Borrower, such endorser or guarantor,