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ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.01 Events of Default Defined. An "Event of Default" or a "Default" shall mean, whenever such terms are used in this Agreement, any one or more of the following events:

(a) Failure by the Corporation to pay or cause to be paid within five (5) days after the due date any payment required to be made under Section 4.01 hereof with respect to the principal or interest on the Note;

(b) Failure by the Corporation to pay when due any other payment required to be made under this Agreement, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Corporation by the Issuer or the Lender by certified mail;

(c) Failure by the Corporation to observe and perform the covenants contained in Section 5.03 to this Agreement, which failure shall continue for a period of 10 days;

(d) Failure by the Corporation to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsections (a), (b) and (c) of this Section 9.01, which failure shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, is given to the Corporation by the Issuer or the Lender by certified mail, unless the Issuer and the Lender shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Issuer and the Lender will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Corporation within the applicable period and diligently pursued until the default is corrected;

(e) The occurrence of an Event of Default under the Indenture, the Corporate Guaranty or the Payne Guaranty;

(f) The entry of any judgment in excess of \$25,000 against the Corporation on which all appellate rights

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