

Collateral has been replaced by fixtures or personal property of substantially equal value and utility which is subject to the lien hereof with the same priority as with respect to the Obsolete Collateral;

(b) Sales, transfers and assignments permitted by Paragraph G of Article IV of the Commitment; and

(c) Permitted Encumbrances.

SECTION 17. EVENTS OF DEFAULT.

If one or more of the following events (herein called "Events of Default") shall occur:

(a) If any default be made in the due and punctual payment of principal, interest or premium, if any, on the Second Secured Note and such failure shall continue for 10 Business Days, or if an Event of Default under Section 3.1(a) of the Reimbursement Agreement shall exist;

(b) If any default be made in the due and punctual payment of any other moneys required under the Second Secured Note or this Mortgage for a period of 5 Business Days after notice thereof by the Trustee or the Surety;

(c) If any default shall exist under any other document or instrument regulating, evidencing, securing or guarantying any of the Indebtedness Hereby Secured including, but not limited to, the Reimbursement Agreement or any of the First Mortgage Documents or the Second Mortgage Documents in each case after the expiration of any period of grace expressly allowed for the cure of such default in such other document or instrument;

(d) If a default shall occur in the observance or performance of any agreement or condition contained in Section 16 hereof;

(e) If default shall continue for 30 days after notice thereof by the Surety to the Developer in the due and punctual performance or observance of any other agreement or condition herein contained;

(f) If a final judgment or judgments for the payment of money aggregating in excess of \$100,000 is or are outstanding against the Developer or against any of its property or assets and any one of such judgments has remained unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of 30 days from the date of its entry;

(g) If a proceeding is instituted seeking a decree or order for relief in respect of the Developer, either Guarantor or the Managing General Partner in any involuntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Developer, either Guarantor or the Managing General Partner of the Developer, or for any substantial part of its property, or for the winding-up or liquidation of the

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