

## ARTICLE 6.

### EVENTS OF DEFAULT AND REMEDIES

#### **Section 6.1. Events of Default Defined.**

The following shall be “events of default” under this Contract and the terms “event of default” or “default” shall mean, whenever they are used in this Contract, any one or more of the following events:

- (a) Failure by the County to make the Contract Payments required to be paid under Section 4.2 hereof at the times specified therein;
- (b) Failure by the County or the Authority to observe and perform any covenant, condition or agreement of this Contract on its part to be observed or performed, other than as referred to in subsection (a) of this Section, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the defaulting party by the nondefaulting party or a Bondholder; provided, however, if the failure stated in the notice cannot be corrected within the period specified herein, the nondefaulting party will not unreasonably withhold its consent to an extension of such time if it is possible to correct such failure and corrective action is instituted by the defaulting party within the applicable period and diligently pursued until the default is corrected;
- (c) Any representation or warranty shall be found to be untrue; and
- (d) An “event of default” shall have occurred under the Bond Resolution.

Notwithstanding the foregoing, a breach of the covenant contained in Section 5.13 hereof shall not be deemed an event of default hereunder, and the sole remedy shall be an action to compel performance.

#### **Section 6.2. Remedies on Default.**

Whenever any event of default referred to in Section 6.1 hereof shall have happened and be subsisting, the nondefaulting party, or the Bondholders as provided in the Bond Resolution, may take any one or more of the following remedial steps:

- (a) The nondefaulting party or the Bondholders may seek the appointment of a receiver for the Project;
- (b) The Authority or the Bondholders may require the County to furnish copies of all books and records of the County pertaining to the Project;
- (c) The nondefaulting party or the Bondholders may take whatever action at law or in equity may appear necessary or desirable to collect the Contract Payments then