

4.4 Claims

The Mortgagee shall inform the Mortgagee immediately if anything occurs which results in loss or damage to the Mortgaged Property. The Mortgagee shall be solely entitled to make, enforce, and if necessary commence court proceedings, or compromise any claim in respect of that loss or damage and may, as it sees fit:

- (a) apply the insurance proceeds in the rebuilding or repair of the Mortgaged Property under the supervision of the Mortgagee's architect; or
- (b) retain the proceeds wholly or in part in repayment of the Amount Secured.

5. REPRESENTATIONS AND WARRANTIES

The Mortgagee represents and warrants to the Mortgagee that:

- (a) it has an absolute and indefeasible title to the Land;
- (b) no Event of Default has occurred;
- (c) it has not failed to comply with the terms of any other security over the Mortgaged Property;
- (d) no litigation or other proceeding which could have a material adverse effect on the Mortgagee is taking place, pending or threatened against the Mortgagee or in respect of the Mortgaged Property;
- (e) the Mortgaged Property is free from any other Security Interest except as specified on the Mortgage; and
- (f) as far as the Mortgagee is aware, no Authority has any proposal to compulsorily acquire or to change the permitted use of the Land.

6. EVENTS OF DEFAULT

6.1 Definition

An Event of Default occurs if:

- (a) the Mortgagee does not pay the whole or any part of the Amount Secured when it becomes due for payment;
- (b) the Mortgagee does not comply with an obligation under the Loan Agreement;
- (c) a representation or warranty made in the Loan Agreement or this Mortgage proves to be false or inaccurate in a material respect;
- (d) the Loan is not applied for the purpose for which it is provided;
- (e) an Insolvency Event occurs in relation to the Mortgagee;
- (f) another Security Interest is enforced by the creditor holding the security;
- (g) the Mortgagee substantially changes the nature of the business carried on by the Mortgagee at the date of this Mortgage (if any);
- (h) where the Mortgagee is a company or other corporate body, the control of the board of directors or the shareholders changes in a way that the Mortgagee considers detrimental to it security;
- (i) the Mortgaged Property is lost or seriously damaged if the Mortgagee considers that the proceeds of any relevant insurance policy will prove insufficient to repair the damage or replace the damaged property.

6.2 Death of the Mortgagee

If the Mortgagee or if that expression refers to more than one person, any of those persons, dies, the death shall be treated for the purposes of all the other provisions of this Mortgage as if an Event of Default had occurred.

7. MORTGAGEE'S POWERS AND STATUTORY NOTICES

7.1 Generally

After an Event of Default occurs, the Mortgagee may do any thing which a mortgagee of the Mortgaged Property may do by law and exercise the rights and powers conferred on a mortgagee by law or by this Mortgage.

7.2 Exclusion of liability

If either the Mortgagee or a Receiver exercises its rights or powers under this Mortgage conferred by law or this Mortgage, including taking possession of the Secured Property, then neither of them is liable to account as mortgagee in possession.