

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01 Events of Default and Remedies. If any of the following events shall occur, each such event shall be an "Event of Default":

(a) any representation or warranty made by the City in this Resolution (or incorporated herein by reference) or in any certificate, document, instrument, opinion, or financial or other statement contemplated by or made or delivered pursuant to or in connection with this Resolution, shall prove to have been incorrect, incomplete, or misleading in any material respect when made;

(b) the City shall fail to pay any amount (i) of the principal of or interest, premium or make-whole redemption price (if any), on a series of Bonds on an Interest Payment Date or Principal Payment Date; or (ii) within five (5) days after the same becomes due, any other amount payable hereunder;

(c) failure in the due observance or performance by the City of any covenant set forth in this Resolution and the continuance of such failure for thirty (30) days after the occurrence thereof;

(d) the City shall: (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended; (ii) become insolvent or shall not pay, or be unable to pay, or admit in writing its inability to pay, its debts generally as they become due; (iii) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator, or similar official for it or any substantial part of its Property; or (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, marshalling of assets, adjustment, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization, or relief of debtors, or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it;

(e) a custodian, receiver, trustee, examiner, liquidator, or similar official shall be appointed for the City or any substantial part of its Recycling and Solid Waste System shall be instituted against the City and such proceeding continues undischarged or any such proceeding continues undismissed or unstayed for a period of sixty (60) or more days;

(f) a debt moratorium, debt restructuring, debt adjustment, or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on the Bonds;

(g) any provision of this Resolution related to payment of principal of or interest on the Bonds or the validity or enforceability of any pledge or security interest created by the Resolution or this Resolution shall at any time for any reason cease to be valid and binding on the City as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction, or shall be declared, in a final nonappealable judgment by any court of competent jurisdiction, to be null and void, invalid or unenforceable;

(h) the validity or enforceability of any material provision of this Resolution related to payment of principal of or interest on the Bonds or the validity or enforceability of any pledge or security interest created by this Resolution shall be publicly contested by the City; or

(i) dissolution or termination of the existence of the City.

Section 7.02 Remedies Upon Event of Default. If an Event of Default specified in Section 7.01 hereof shall occur and be continuing, the Holders in a majority in aggregate amount of Outstanding Bonds may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Bond or to enforce performance or observance of any obligation, agreement, or covenant of the City under this Resolution, whether for specific performance of any agreement or covenant of the City or in aid of the execution of any power granted to Holders;

(b) cure any Default, Event of Default, or event of nonperformance hereunder or under the Bond; *provided, however*, that Holders shall have no obligation to effect such a cure; and

(c) exercise, or cause to be exercised, any and all remedies as it may have under any other provisions of this Resolution and as otherwise available at law and at equity.

Section 7.03 Remedies Cumulative; Solely for the Benefit of the Holders. To the extent permitted by, and subject to the mandatory requirements of, applicable law, each and every right, power, and remedy herein specifically given to the Holders shall be cumulative, concurrent, and nonexclusive and shall be in addition to every other right, power, and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power, and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Holders, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. The rights and remedies of the Holders specified herein are for the sole and exclusive benefit, use, and protection of the Holders, and the Holders are entitled, but shall have no duty or obligation to the City or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Holders hereunder.

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