

law, judgment, order or decree to which the Guarantor is now a party or by which he is bound.

The Guarantor warrants that he has all right, power, title and authority to grant to the County a first security interest in the Collateral for the uses and purposes herein set forth; and the Guarantor will warrant and defend title to the Collateral against all claims and demands of all other persons claiming by, through or under the Guarantor. The Guarantor also agrees that he will, in his individual capacity and at his own cost and expense, promptly take such action as may be necessary to perfect this security interest and duly to discharge any liens and encumbrances on the Collateral which are claimed by any party through the Guarantor and which are not related to this Security Agreement or the transactions described herein.

SECTION 3. TAXES.

The Guarantor agrees to pay all lawful taxes, assessments and other charges upon the Collateral when the same shall first become payable and in default thereof, the County may cause the same to be paid, together with all penalties and costs incurred thereon, and have the Guarantor reimburse it for the sums so paid, with interest thereon from the date of payment at the prime commercial lending rate charged by Bankers Trust of South Carolina from time to time plus three percentage points, and any payments by the County, if not so reimbursed, shall be deemed to be a portion of the indebtedness herein mentioned and secured by this Security Agreement.