

The Company warrants that it has all right, power and authority to grant to the County security interests in the Collateral for the uses and purposes herein set forth and that the Collateral is unencumbered and the Company has good title to the same; and the Company will warrant and defend title to the Collateral against all claims and demands of all persons claiming by, through, under or against the Company. The Company also agrees that it will, in its individual capacity and at its own cost and expense, promptly take such action as may be necessary duly to discharge any liens, encumbrances or taxes on the Collateral which are or will be claimed by any party through or against the Company and which are not related to this Mortgage and Security Agreement or the transactions described in the Loan Agreement.

SECTION 4. POSSESSION OF COLLATERAL.

While the Company is not in default hereunder it shall be suffered and permitted to remain in full possession, enjoyment and control of the Collateral, and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto, provided always that the possession, enjoyment, control and use of the Collateral shall at all times be subject to the observance and performance of the terms of this Mortgage and Security Agreement and the provisions of the Loan Agreement.

SECTION 5. ASSURANCES AND RECORDATION.

(a) The Company will, at no expense to the County, perform

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