

shall form a part hereof, for the purpose of formally confirming this Mortgage as security for the First Note, any additional note or notes or for any refunding, renewal or substituted note or notes executed and delivered by the Mortgagor as herein provided. Nothing herein contained shall require the execution and delivery by the Mortgagor of a supplemental mortgage in connection with the issuance hereunder or the securing hereby of the First Note, additional notes or of refunding, renewal or substituted notes, except as hereinafter provided in section 14 of article II hereof.

ARTICLE II

PARTICULAR COVENANTS OF THE MORTGAGOR

The Mortgagor covenants with the Mortgagee and the holder of the notes secured hereby (hereinafter sometimes collectively called the "noteholders") and each of them, as follows:

SECTION 1. The Mortgagor is duly authorized under its articles of incorporation and bylaws and the laws of the state of its incorporation and all other applicable provisions of law to execute and deliver the First Note and this Mortgage and to execute and deliver additional notes and notes to refund, or in renewal of, or in substitution for, outstanding notes; and all corporate action on its part for the execution and delivery of the First Note and of this Mortgage has been duly and effectively taken; and the First Note and this Mortgage are the valid and enforceable obligations of the Mortgagor in accordance with their respective terms.

SECTION 2. The Mortgagor warrants that it has good right and lawful authority to mortgage the property described in the granting clauses of this Mortgage for the purposes herein expressed, and that the said property is free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto or any cloud on the title thereto, except the lien of this Mortgage, and taxes or assessments not yet due. The Mortgagor will, so long as any of the notes shall be outstanding, maintain and preserve the lien of this Mortgage superior to all other liens affecting the Mortgaged Property and will forever warrant and defend the title to the property described as being mortgaged hereby to the Mortgagee, against any and all claims and demands whatsoever. The Mortgagor will promptly pay or discharge any and all obligations for or on account of which any such lien or charge might exist or could be created, and any and all taxes, rates, levies, assessments, liens, claims or other charges imposed upon or accruing upon the Mortgaged Property, or any part thereof (whether taxes to the Mortgagor or to any noteholder), or the franchises, earnings or business of the Mortgagor, as and when the same shall become due and payable; and whenever called upon so to do the Mortgagor will furnish to the Mortgagee or to any noteholder adequate proof of such payments or discharge.

SECTION 3. Except to secure loans made by the Mortgagee to the Mortgagor, the Mortgagor will not, without the consent of the holder or holders of not less than a majority in principal amount of the notes at the time outstanding (such holder or holders of such amount of notes being hereinafter called the "majority noteholders"), charge, assign, pledge, mortgage or otherwise encumber any of the Mortgaged Property.

SECTION 4. The Mortgagor will duly and punctually pay the principal of and interest on the notes at the dates and places and in the manner provided therein, according to the true intent and meaning thereof, and all other sums becoming due hereunder.

101 T. Mort.