

or on the order of the Mortgagee, at the expense of the Company, a new Note payable to the Mortgagee for the principal amount of such Note remaining unpaid in the name of the Mortgagee; or

(b) the Mortgagee shall make notation thereon of the payment of the portion of the principal of such Note so called for redemption (anything in this § 3.02 or in the notice of redemption contained to the contrary notwithstanding).

#### ARTICLE IV

##### CERTAIN COVENANTS

In addition to the covenants of the Company and Cork 'X Cleaver contained elsewhere in the Indenture, the Company and Cork 'X Cleaver covenant as follows:

§ 4.01. **PAYMENT OF DEBT.** The Company will duly and punctually pay the principal of, and premium, if any, and interest on all the Notes in full and strict accordance with the terms thereof.

§ 4.02. **WARRANTY OF TITLE.** The Company or Cork 'X Cleaver, as the case may be, is lawfully seized and possessed of and has good title to all property described in the Granting Clauses hereof as being presently mortgaged and pledged hereunder, and has good right and lawful authority to mortgage and pledge the same as provided in and by the Indenture; said property is free and clear of all liens, charges and encumbrances, except the lien of the Indenture, inchoate liens for taxes not yet due and liens, charges and encumbrances which (a) are incidental to the conduct of the business of the Company and Cork 'X Cleaver or the ownership of their properties and assets, (b) were not incurred in connection with the borrowing of money or the obtaining of advances or credit and (c) do not in the aggregate materially detract from the value of the property subject thereto or materially impair the use of such property in the operation of the business of the Company and Cork 'X Cleaver; and the Company and Cork 'X Cleaver warrant and will defend such title to such property and every part thereof to the Mortgagee forever against the claims and demands of all persons whomsoever.