

PROVISIONS RELATING TO
MORTGAGE AND SECURITY AGREEMENTSECTION 6.01. Warranty; Identification of Plant.

(a) The Corporation warrants to the Issuer and the Lender that the Corporation has good and marketable fee simple title to the land described in Exhibit A hereto and has good and marketable fee simple title to the entire Plant subject only to Permitted Encumbrances. This Agreement constitutes a first mortgage lien upon and security interest in the Plant subject only to Permitted Encumbrances. The Corporation will not create, permit to be created or suffer to exist any encumbrance upon the Plant or any portion thereof, other than Permitted Encumbrances, and will promptly discharge any encumbrance other than Permitted Encumbrances which may be found to exist. The Corporation covenants that it will defend its title to the Plant and any portion thereof and defend the mortgage and security interest created by this Agreement against all claims or demands of any person whomsoever claiming or to claim the same.

(b) The Corporation agrees to maintain such records with respect to the Plant as will permit the ready identification thereof. The Corporation shall furnish the Lender with such information with respect to the Plant promptly upon request by the Lender and shall supply the Lender with a copy of the records maintained by it hereunder upon request.

SECTION 6.02. Title Insurance. The Corporation agrees to obtain title insurance for the benefit of the Issuer and its assigns, including the Lender, in the amount of \$1,600,000 covering all that portion of the Plant which would pass without enumeration thereof with title to the land included therein. Said title insurance shall insure the priority of the mortgage and security interest created by this Agreement subject only to Permitted Encumbrances and any requirement with respect to refileing of financing statements under the Uniform Commercial Code. The proceeds of such title insurance shall be used at the direction of the Lender to prepay amounts due hereunder or to remedy the defect in title giving rise thereto.

SECTION 6.03. Removal of Equipment. If no Default under this Agreement shall have happened and be continuing, in any instance where the Corporation in its discretion determines that any item of equipment has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary,