

first lien on all of said property except as stated, and will furnish and leave with the Mortgagee during the existence of this mortgage, and all renewals and extensions hereof, complete title evidence including title policy or policies.

2. There is, to the knowledge of the Mortgagor, no litigation or governmental proceeding, or proceedings before any bureau, board or commission, pending or threatened against the Mortgagor which would materially affect adversely him or his business or operations.

3. The Federal income tax returns of the Mortgagor for the period ending December 31, 1956, and for all taxable years prior thereto have either been examined by the Internal Revenue Service and have been approved or adjusted with all additional taxes in relation thereto having been paid, or the Internal Revenue Service has not indicated to the Mortgagor that an examination will be made with respect to such taxable years. All Federal, State and other tax returns of the Mortgagor, required by law to be filed for such taxable years, have been duly filed and all Federal, State and other taxes, assessments and governmental charges for such taxable years upon the Mortgagor, which to the knowledge of the Mortgagor are due and payable, have been paid.

The Mortgagor agrees to furnish to the Mortgagee within 90 days following the end of each fiscal year of the Mortgagor a statement prepared by an independent certified public accountant to the effect that all Federal, State and other