

There is in existence a real estate mortgage from Debtor to Secured Party covering the above described property. Said mortgage is in the amount of \$35,000.00 and is recorded in Mortgage Book 1074, at page 468. It is hereby agreed that this within Security Agreement and the aforesaid Real Estate Mortgage shall be interrelated to the extent that a default or breach of either shall constitute a breach or default of both and justify immediate collection action as to both. Such collection action need not be simultaneous.

Debtor warrants that he does not have either a record or reputation for violating laws of the United States or of any state relating to liquor or narcotics.

The Collateral will be kept at U.S. Highway No. 276, Fountain Inn, Greenville County, South Carolina, Zip Code 29644 until such time as written consent to a change is obtained from the Secured Party, except for temporary periods in the normal and customary use thereof and Debtor will permit Secured Party to inspect Collateral at any time. Debtor will promptly notify Secured Party in writing of any change in Debtor's residence if the Collateral is farm products, used in farm operations, or for personal, family or household purposes or of any change in place of business, if Collateral is used for any other purpose.

Debtor is the sole owner of the Collateral free and clear of liens and security interests of any kind whatsoever and that the same is now in his possession (unless it is indicated above that Collateral is being acquired with the proceeds of the described note, in which case Debtor will obtain possession of Collateral within a reasonable time) and that Debtor will defend the Collateral against the claims and demands of any and all persons.

Debtor will at all times keep the Collateral insured in such form, in such companies, in such amounts and against such risks as may be acceptable to the Secured Party with provisions satisfactory to Secured Party for payment of all losses thereunder to Secured Party as its interest may appear and, if required, will deposit policies with Secured Party. Any payment received by Secured Party under said policies may be applied to the payment of any Obligations secured hereby, whether or not due and payable, or at Secured Party's option, may be delivered by Secured Party to Debtor for the purpose of repairing or restoring the Collateral. Debtor hereby assigns to Secured Party all rights to receive proceeds of insurance including unearned premiums not exceeding the amounts secured hereby, directs any and all insurers to pay all proceeds directly to Secured Party, and Secured Party is hereby appointed Debtor's attorney in fact to adjust and cancel any insurance coverage and to endorse any draft or check made payable to Debtor in order to collect the benefits of such insurance.

Debtor will keep the Collateral in good condition and repair (reasonable wear and tear excepted) and will pay and discharge all taxes, levies and other impositions levied thereon as well as the cost of repairs to or maintenance of the same, and will not permit