

anything to be done that may impair the value of the Collateral or any part thereof, and will not use, nor permit the use of, said Collateral for hire, unless agreed to by secured party in writing.

Debtor will pay all costs of financing, continuation, termination statements (and of issuing certificates of title in case of motor vehicles) with respect to the security interests hereby created and Secured Party is authorized to do all things which it deems necessary to perfect and continue perfected the security interest hereby and to protect the Collateral. In case of Motor Vehicles for which certificates of title are required by law, Debtor agrees to obtain and deliver to Secured Party all such certificates of title covering such Collateral and to allow Secured Party to retain possession of same until all obligations are paid and discharged.

If any of the Collateral is taken, condemned or damaged by public authority or third person, all claims therefor shall be transferred to the Secured Party and all sums payable on account thereof paid to the Secured Party to the extent of the obligations secured hereby at such time.

The Secured Party may, at its option, and without any duty to do so, pay and discharge any and all amounts, costs, expenses and liabilities herein agreed to be paid by Debtor and all such amounts shall be Obligations hereunder due from the Debtor to the Secured Party without notice or demand therefore, and shall bear interest at the rate of seven (7%) per cent per annum from the date of any such advances until repaid.

Until default, or until demand for possession by Secured Party, Debtor may retain possession of the Collateral and may use it in any lawful manner not inconsistent with this agreement or with the provisions of any insurance thereon.

Upon the occurrence of any of the following events, Debtor shall be in default; failure or neglect to comply with any of the terms, provisions, warranties or covenants of this Security Agreement; or any failure to pay any of the Obligations when due at any original, accelerated, renewed or extended maturity; or should any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor in connection with this agreement or any Obligations secured thereby, be or prove to have been false when made or furnished; or any loss, theft, substantial damage, destruction or encumbrance to or of any of the Collateral, or the voluntary or involuntary transfer of any of the Collateral by way of sale, creation of security interest, attachment, levy, garnishment of any judicial process; or death, dissolution, termination of existence, insolvency, business failure or assignment for the benefit of creditors of or by any Debtor, the filing of a petition under any provisions of the Bankruptcy Act or other insolvency laws by or against any Debtor, the filing of a petition for the appointment of a receiver for any part of the property of any Debtor, or if Secured Party in good faith believes its security is impaired.

Upon any default, and at any time or from time to time thereafter, the Secured Party may, at its option, and without notice