

the personal liability of the Mortgagors to the Bank.

9. Special Provisions.

10. The items of personal property pledged and mortgaged under this Mortgage and referred to herein, are the following:

<u>Note No.</u>	<u>Name of Issuer</u>	<u>Amount</u>
	Commercial paper purchased from American Fletcher Corporation, held in its custody, dated <u>June 20, 1974</u> and maturing on <u>October 17, 1974</u> .*	\$97,300.00
	*(subject to renewal)	

Bank hereby acknowledges receipt of the foregoing Collateral as a pledge subject to the provisions of this Mortgage.

11. The personal property subject to the pledge of this Mortgage, and any additions thereto or replacements thereof made, or proceeds therefrom collected, pursuant to the provisions of this Mortgage shall immediately be and become, without any further act or instrument by any party and without any further conveyance or mortgage on the part of Mortgagor, a part of the Collateral subject to the security interest and lien of this Mortgage, which shall be prior to any other security interest or lien on such addition or replacement.

Bank shall keep possession of the Collateral and shall safeguard the same in a segregated location in a vault or other safe place, shall protect the Collateral against all risks of fire, theft, damage and destruction, and shall not commingle the Collateral with any other property. Bank shall permit Mortgagor, its agents and representatives, to inspect the Collateral at any time.

12. So long as Bank is holder of the Note(s), in any case in which Bank is authorized to proceed in any manner set forth in paragraph 5 of this Mortgage, Bank may at its sole option and in lieu of proceeding under the provision of Paragraph 5 of this Mortgage, proceed as to all the premises, including the