

control of the Collateral (except stocks, bonds and certificates of deposit) and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto.

SECTION 5. ASSURANCES AND RECORDATION.

The Company will, at no expense to the County, perform every further act reasonably necessary or proper for the perfection of the security interest in the Collateral being herein granted.

The Company will cause this Security Agreement and any supplements hereto, and all financing and continuation statements and similar notices required by applicable law, at all times to be kept, recorded and filed at no expense to the County in such manner and in such places as may be required by law in order fully to preserve and protect the rights of the County hereunder.

SECTION 6. DEFAULTS

An "Event of Default" shall occur under this Security Agreement: (a) if and when there shall be a default by the Company under the Company Note or the Loan Agreement, (b) if and when the Company shall breach any covenant or agreement in this Security Agreement or (c) if and when any warranty of the Company in this Security Agreement shall have been false when made in any material respect.

SECTION 7. COUNTY'S RIGHTS.

The Company agrees that when any Event of Default has occurred and is continuing:

(a) The County shall have the rights, duties and remedies of a secured party and the Company shall have the rights and duties