

ARTICLE VI

PROVISIONS RELATING TO
MORTGAGE AND SECURITY AGREEMENTSECTION 6.01. Warranty; Identification of Project.

(a) Cincinnati warrants to the Recipient that Cincinnati has good and marketable fee simple title to the land described in Exhibit A hereto and has, or will have upon requisition of payment therefor, good and marketable fee simple title to the entire Project subject only to Permitted Encumbrances. This Agreement constitutes a mortgage lien upon and security interest in the Project subject only to Permitted Encumbrances. Cincinnati will not create, permit to be created or suffer to exist any encumbrance upon the Project or any portion thereof, other than Permitted Encumbrances, and will promptly discharge or contest in good faith any encumbrance other than Permitted Encumbrances which may be found to exist. Cincinnati covenants that it will defend its title to the Project and any portion thereof and defend the mortgage and security interest created by this Agreement against all claims or demands of any person whomsoever claiming or to claim the same.

(b) Cincinnati agrees to maintain such records with respect to the Project as will permit the ready identification thereof. Cincinnati shall furnish the Recipient with such information with respect to the Project promptly upon request by the Recipient and shall supply the Recipient with a copy of the records maintained by it hereunder upon request.

SECTION 6.02. Removal of Equipment. The parties hereto understand that certain machinery, equipment and related property (hereinafter "Equipment") shall be acquired in whole or in part from the proceeds of the Grant and installed in the Project. Cincinnati shall be under no obligation to renew, repair or replace any item of Equipment which in its discretion is determined to be inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary. Cincinnati may remove such item of Equipment from the Project and sell, trade-in, exchange or otherwise dispose of it (as a whole or in part) without consent of the Recipient therefor if the value of such Equipment (as measured by its original cost) is equal to or less than \$2,000. In all other cases Cincinnati shall either:

(a) Substitute and install in the Project other machinery, equipment or related property having equal or greater utility (but not necessarily having the same function) in the operation of the Project for the purpose