

privileges obtained in connection with the Premises; all proceeds arising from or by virtue of the sale, lease or other disposition of any of the real or personal property described herein; all proceeds (including premium refunds) payable or to be payable under each policy of insurance relating to the Premises; all proceeds arising from the taking of all or a part of the Property or any rights appurtenant thereto, including change of grade of streets, curb cuts, or other rights of access, for any public or quasi-public use under any law, or by right of eminent domain, or by private or other purchase in lieu thereof; and all other interest of every kind and character which Debtor now has or at any time hereafter acquires in and to the real and personal property described herein and all property which is used or useful in connection therewith, including rights of ingress and egress, easements, licenses, and all reversionary rights or interests of Debtor with respect to such property.

2.

Secured Indebtedness

2.1 This Agreement is made to secure payment and/or performance of Debtor's Obligation to Lender, provided that the term "Obligation" as used herein shall mean:

- (a) All indebtedness of Debtor to Lender arising out of or in connection with the Note, together with any and all renewals and extensions of the same, or any part thereof; and,
- (b) All indebtedness and liabilities of Debtor to Lender at any time arising under the terms hereof.

3.

Representations

3.1 Debtor represents and warrants that Debtor is the full legal and equitable owner of the Collateral and has authority to grant this security interest therein, that, except as are of record, there is no financing statement on file covering the Collateral or its proceeds and no lien or encumbrance in or on the Collateral.

3.2 Debtor represents and warrants that the Collateral will be used primarily in the business of Debtor, and for no other use without the written consent of Lender. The Collateral will not be affixed to any real estate or other goods so as to become a fixture on real estate or accession to other goods, unless such real estate or other goods be described hereinabove; if said Collateral is to be so affixed, Debtor will upon demand of Lender furnish written consent or consents to the security interest hereby created of disclaimer or disclaimers signed by all persons having an interest in the real estate or other goods.

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