

to all and singular of the Company's right, title and interest in and to the following:

- (a) All personal property and fixtures of the Company described in Section 2 of this Mortgage and Security Agreement; and
- (b) All furniture, office equipment and inventory of the Company now located on the land described in Schedule I or afterwards located on that land;
- (c) All accounts receivable of the Company at any time arising from the conduct of its business at its facility located on the land described in Schedule I;
- (d) All proceeds and products of (a), (b) and (c) above.

First National, its successors and assigns shall have and hold the Collateral forever; provided, always, however, that this security interest is granted upon the express condition that if the Company shall pay or cause to be paid all amounts payable under the Note, the Loan Agreement and this Mortgage and Security Agreement, then the security interest hereby granted shall cease and be discharged; otherwise this security interest shall remain in full force and effect.

The Company warrants that it has all right, power and authority to grant to First National security interests in the Collateral for the uses and purposes herein set forth and that, the Collateral is unencumbered and the Company has good title to the same; and the Company will warrant and defend title to the Collateral against all claims and demands of all persons claiming