

In the event of failure or refusal of the mortgagor to agree with the insurance companies involved as to the amount and terms of any loss within sixty (60) days of the happening of such loss, then the mortgagee may negotiate with and settle said loss with such fire insurance companies and neither the mortgagee nor the insurance companies involved shall, upon such settlement being made, be liable in any manner to the mortgagor.

Any tax, assessment, or premium of insurance, not paid when due by the mortgagor may be paid by the mortgagee, or its assigns, and any sum so paid shall be added to the amount of said principal debt as part thereof, shall draw interest from the time of said payments at the rate of nine (9%) per cent, per annum, and shall, with interest, be covered by the security of this mortgage.

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The mortgagee shall have the right to apply any funds received from losses on account of the indebtedness or other items herein secured, or at its option may allow the same to be used in restoring the mortgaged premises provided the mortgagee, if restoration of the premises is agreed to, may retain said funds without interest until said premises be so restored in a satisfactory manner.

3. AND IT IS FURTHER COVENANTED, That the said mortgagor shall create a fund for the payment of all taxes and assessments, general and special, and insurance premiums by depositing with the noteholder on the days payments on account of principal and interest are due hereunder, an amount to be fixed from time to time by the noteholder, and there shall be no interest on said deposits. The right to any return premiums on any insurance policies covered by this mortgage is hereby assigned to mortgagee, and in the event of a default and/or foreclosure, mortgagee shall be entitled to all such return premiums to apply on the indebtedness if the mortgagee elects to exercise its right hereunder.

4. AND IT IS FURTHER COVENANTED, That the said mortgagor shall pay, as the same may become due, all taxes by whatsoever authority legally imposed, upon the property hereby mortgaged, and in case it shall at any time neglect or fail so to do, then the said Aiken Loan & Security Company, its successors or assigns, may pay such taxes and reimburse itself for the same, with interest thereon at the rate of nine (9%) per cent, per annum, and that the same shall stand secured by this mortgage.

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