

before the date when payment of such taxes, assessments or insurance premiums shall be due. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the property is otherwise acquired after default, the mortgagee shall apply, at the time of commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under this paragraph, as a credit against the amount of principal then remaining unpaid under the note secured hereby.

2. That at all times during the continuance of this mortgage and until said mortgage shall be fully paid or released, the mortgagor will keep all improvements now or hereafter on said premises unceasingly insured against fire, tornado and such other perils as may be required by Carolina Federal Savings and Loan Association, Greenville, South Carolina, its successors or assigns, in such responsible insurance company or companies as shall be satisfactory to the mortgagee, its successors or assigns, in an amount satisfactory to said mortgagee, its successors or assigns, with a mortgagee and subrogation clause satisfactory to the mortgagee attached to said policy or policies of insurance; that if a greater amount of insurance is placed upon the said improvements than the amount aforesaid, all such insurance shall be made payable in case of loss as aforesaid and with like subrogation clause; that all of said insurance policies shall be at all times deposited with the mortgagee and that all premiums on all of the policies of insurance shall be promptly paid when due. In case of loss and payment by any insurance companies, the amount of the insurance money paid shall be applied either on the indebtedness secured hereby, or in rebuilding and restoring the damaged buildings or other improvements as the mortgagee may elect. And it is further covenanted and agreed that in the event that the mortgagor shall fail to pay any premiums for insurance upon said improvements, then the mortgagee or its successors or assigns shall have the right to insure said improvements and to pay the premiums therefor and the sums so paid shall stand secured by this mortgage and shall bear interest from the date of payment at the rate of ten (10%) per cent per annum. In event of