

1. The Mortgagor will pay the indebtedness, as hereinbefore provided.

2. The Mortgagor will keep the buildings and improvements now or hereafter erected on the mortgaged premises and all personal property covered by this Mortgage insured against loss and damage by fire and by such other hazards as the Mortgagee may require, in amounts, with insurers and under forms of policies (including standard mortgagee clause unless otherwise required) satisfactory to the Mortgagee; will deliver all such policies and, at least 15 days prior to their expiration dates, all renewals thereof to the Mortgagee; and will pay all premiums thereon. The Mortgagor will not permit any condition to exist on said premises which would wholly or partially invalidate the insurance thereon. The Mortgagee may on behalf of the Mortgagor adjust and compromise any claims under such insurance and collect and receive the proceeds thereof and is hereby irrevocably appointed attorney-in-fact for the Mortgagor for such purposes, and may deduct from such proceeds any reasonable expenses so incurred by it, and shall release such proceeds to the Mortgagor in whole or in part in accordance with the terms of the Building Loan Agreement hereinafter referred to. Upon any default hereunder all of the Mortgagor's right, title and interest in and to all such policies are hereby assigned to the Mortgagee, including unearned premiums on such policies.