

incurred by Mortgagor in the restoration of the Improvement or Chattels so damaged or destroyed. Provided, however, that in all events the rights of Mortgagee hereunder are specifically subject to the rights of the mortgagee under any prior mortgage to direct the payment and application of insurance proceeds.

(b) Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 1.08, unless Mortgagee is included thereon as a named insured with loss payable to Mortgagee under a standard mortgagee endorsement of the character above described. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out, specifying the insurer thereunder and full particulars as to the policies evidencing the same.

SECTION 1.09. In the event of the passage, after the date of this Mortgage, of any law of any State where the Premises are located deducting from the Land for the purpose of taxation of any lien thereon, or changing in any way the laws now in force for the taxation of mortgages, deeds of trust, or debts secured thereby, for state or local purposes, or the manner of operation of any such taxes so as to adversely affect the interest of Mortgagee, then and in such event, Mortgagor shall bear and pay the full amount of such taxes, provided that if for any reason payment by Mortgagor of any such new or additional taxes would be unlawful or if the payment thereof would constitute usury or render the Note or indebtedness secured hereby wholly or partially usurious under any of the terms or provisions of the Note or this Mortgage,

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