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be increased or decreased by the MORTGAGEE at any time. For that purpose the MORTGAGEE is authorized to surrender existing policies for cancellation and take out any insurance at any time desired, provided that the necessary premium adjustments in all cases shall be charged against or credited to the mortgage as the case may be. Ten days prior notice of any proposed changes shall be mailed to the owner at his last known address so as to give such party opportunity to take out such insurance as he may desire to protect his equity in the mortgaged property.

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

Any tax, assessments, or premium of insurance, not paid when due by the owner, may be paid by the Mortgagee or 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 payment at the rate of six per centum per annum and shall, with interest, be covered by the security of this mortgage.

The MORTGAGEE shall have the right to apply any funds received from hazard 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.

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 MORTGAGEE or its Agent may pay such taxes and reimburse itself for the same, with interest thereon at the rate of six per centum per annum; and that the same shall stand secured by this Mortgage.