

certified copies with premiums fully paid and with standard mortgagee clauses or such other mortgagee clauses as may be satisfactory to the Mortgagee attached, and renewals thereof shall likewise be delivered to the Mortgagee at least 15 days before the expiration of any existing policies.

(b) All such policies (other than any general public liability policy) shall include standard loss payable clauses in favor of the Mortgagee and shall provide that the same may not be cancelled or terminated without giving the Mortgagee at least 30 days prior written notice of such cancellation or termination.

(c) Should the Mortgagor fail to insure or fail to pay the premiums on any such insurance or fail to deliver the policies or renewals thereof as provided above, the Mortgagee at its option may have such insurance written or renewed and pay the premiums thereon for the account of the Mortgagor.

(d) In the event of loss or damage, the proceeds of said insurance, if Mortgagor notifies Mortgagee by written notice given within 60 days following such loss or damage of its intention to rebuild or repair the mortgaged premises, shall be applied by the Mortgagee to the payment of the cost of repairing, restoring or rebuilding the improvements on the mortgaged premises so damaged or destroyed (hereinafter referred to as the "work"), subject to the following conditions:

(i) If the amount of the insurance proceeds is \$50,000 or less, then upon approval by the Mortgagee of the plans and specifications for the work, which approval shall not be unreasonably withheld or delayed (it being nevertheless understood that to the extent feasible said plans and specifications shall provide for such work that, upon completion thereof, the improvements shall be at least equal in value and general utility to the improvements which were on the mortgaged premises prior to the damage or destruction), and receipt by the Mortgagee of sufficient security or other assurance acceptable to it to cover any estimated costs of completion of the work in excess of the insurance proceeds, then Mortgagee shall deliver the full amount of such proceeds to Mortgagor. Thereupon, Mortgagor shall promptly commence the work and proceed diligently to the completion thereof.

(ii) If the amount of the insurance proceeds exceeds \$50,000, the work shall be supervised by an architect or engineer (who may be an employee of the Mortgagor) and before the Mortgagor commences any work, other than temporary work to protect property or prevent