

(4) In any event, if, in the opinion of the Lender, the Borrower does not repair, or rebuild the damaged or destroyed premises with reasonable promptness or dispatch after receipt by the Borrower and Lender of the fire or other casualty loss proceeds from the casualty company, unless prevented from doing so by causes beyond their control, such as strikes, rebellion, inability to obtain materials and similar causes, the Lender shall have the option to apply any and all fire or other casualty loss proceeds on the remaining indebtedness of said Loan, which proceeds will be applied to the last maturing installment or installments on said Note. In the event such option is exercised, it is understood that the failure of the Borrower to repair or rebuild promptly shall be deemed a default occurring prior to the payment in full of the mortgage loan referred to in Paragraph 18(a) of the lease between Harriet Poe Cogswell et al., as Lessors and The Travelodge Corporation, as Lessee, dated June 16, 1960.

(5) This agreement is contingent upon and subject to the condition that the aforementioned loan by the Borrower to the Lender shall be in current condition in all respects at the time of the fire and other casualty loss and also at any time thereafter when the Lender and/or the escrow agent may be requested to make available all or any part of the insurance proceeds for the repairs or rebuilding contemplated by this agreement. If at any such time the aforementioned loan is not in current condition in all respects, the Lender may at its option apply such insurance proceeds to the last maturing installment or installments of the loan, all without prejudice to other rights of the Lender.

IN WITNESS WHEREOF, the Borrower and Lender have

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