

same become due and payable, the principal of, and interest on, the several notes payable to Bob Jones College, or order, and secured by Deed of Trust given by the said Church of God to Cleveland Bank and Trust Company, Trustee, in the aggregate original amount of One Million Four Hundred (\$1,400,000.00) Dollars, said notes being the last five notes of a series of seven notes, each in the amount of Two Hundred Thousand (\$200,000.00) Dollars, and pledged and assigned as part of the collateral hereunder, and to perform all other acts or things necessary for collection thereof.

Section 8. - Payment of Life Insurance Premiums.

That it will pay, or cause to be paid, on or before the fifteenth day prior to the expiration of the grace period, if any, and if there is no grace period, on or before the due date, the gross amount of each premium, less, at the option of The College, the amount of any dividend or distribution of surplus which may be credited to such policy, which from time to time may become due and payable on the policies of life insurance pledged hereunder, or hereafter, on or before the tenth day prior to the expiration of the grace period, if any, and if there is no grace period then on or before the due date, it will deliver to The Trustee, to be held with the policies, receipts for, or other acceptable evidence of, the payment of such premiums.

ARTICLE V.

PAYMENT OF TAXES.

The College covenants and agrees that it will promptly pay when due all and singular the taxes, licenses, assessments, municipal and state and governmental charges lawfully imposed upon the property, franchises, and assets hereby conveyed, or upon any part thereof, or upon the income, or income held as reserve, if any such charges should be made, or any other lien for taxes or charges, that might or could be held prior or superior to the lien of this Indenture or which might imperil the right of The College to continue as a corporation, to the end that the lien of this Indenture shall be fully preserved in respect to all property, license, franchise and rights and other assets hereby conveyed. Upon request The College shall exhibit to The Trustee all receipts showing payment of taxes, licenses, assessments and other governmental charges which might be levied or assessed for any taxable year or period, or furnish The Trustee evidence of its non-liability for payment of such taxes, licenses, assessments, municipal, state and governmental charges. The College further agrees that it will also pay and discharge all taxes, assessments and charges of whatever kind or character which shall be lawfully imposed upon the estate or interest of The Trustee in the conveyed property and assets. It is understood and agreed, however, that The College shall not be required to pay any such taxes, assessments or charges of any kind or character so long as it is in good faith, and by proper legal proceedings in a court of competent jurisdiction, contesting the validity thereof, and give indemnity satisfactory to The Trustee for the ultimate payment of the amount found due.

ARTICLE VI.

INSURANCE.

Section 1. - Fire, Earthquake and Extended Coverage.

The College covenants and agrees that it will at all times, so long as any of the Bonds secured hereby are outstanding and unpaid, insure and keep insured all the buildings, plant, machinery, equipment, stocks and all other property covered by this Indenture which is usually insured, to the extent of its fair market value (or in such lesser amount as may be specifically agreed to by the owners of at least two-thirds in principal amount of the Bonds or by The Trustee) against loss or damage by fire with extended coverage endorsement in good responsible insurance companies satisfactory to the said Bond owners or to The Trustee; that it will pay, or cause to be paid, all premiums of insurance promptly as they mature, and will cause to be attached to all of said policies standard mortgage clauses acceptable to The Trustee in favor of The Trustee, as its rights and interests may appear, and that all such policies, with clauses so attached, will be delivered by The College to, and be held by, The Trustee.

Section 2. - Losses by Fire or Storm.