

1. AND IT IS COVENANTED, by and between the said parties that the said mortgagor shall and will insure the improvements on said land in such Insurance Company or Companies as may be approved by the said mortgagee, its successors, assigns or agents, in the sum of not less than One Hundred Eighty-Five Thousand and 00/100 (\$185,000.00) Dollars, and will keep the same insured from loss or damage by Fire and Extended Coverage, Plate Glass loss or damage, Public Liability and Property Damage and the mortgagor shall furnish such additional policy or policies, in such amounts and in such companies as may be required by the noteholder, and will assign the policy or policies of insurance to the said mortgagee.

2. AND IT IS FURTHER COVENANTED, that any and all fire and extended coverage insurance in the possession of the mortgagee may be changed to other companies, rearranged as to coverage, terms or amount and within the limits prescribed by the mortgage be increased or decreased by the mortgagor 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 mortgagor at its last known address so as to give such mortgagor opportunity to take out such insurance as it may desire to protect its equity in the mortgaged property.

In the event of failure or refusal of the mortgagor to agree with the insurance companies involved as to the amount and terms of any loss within sixty days of the happening of such loss, then the mortgagee may negotiate with and settle said loss with such fire insurance companies and neither the mortgagee nor the