

by this mortgage and all interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee.

(b) The Borrower will pay, before the same becomes delinquent all taxes, liens, assessments and charges of every character already levied or assessed or that may hereafter be levied or assessed upon or against said premises and all utility charges, whether public or private, and upon demand will furnish the Mortgagee receipted bills evidencing such payment.

(c) The Borrower and Lowndes will not suffer any mechanic's, materialman's, laborer's, statutory or other lien which might or could be prior to or equal to the lien of this mortgage to be created or to remain outstanding upon any part of the premises.

Fourth: INSURANCE. The Borrower will keep the buildings, whether now standing on said premises or hereafter erected, continuously insured against all loss or damage by fire and against such other hazards, as the Mortgagee, in its sole discretion, shall from time to time require, for the benefit of the Mortgagee; that all such insurance at all times will be in an insurance company or companies and in amounts and terms acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a mortgagee clause which shall be satisfactory to the Mortgagee; and that forthwith upon the issuance of such policies, the Borrower will deliver the same and all renewals thereof to the Mortgagee and will also deliver to the Mortgagee receipts for the premiums paid thereon. Any policies furnished the Mortgagee shall become its property in the event the Mortgagee becomes the owner of said premises by foreclosure or otherwise. The Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the premises, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Mortgagee, instead of to the Mortgagor and Mortgagee jointly. In case of loss under any such policy of insurance, the Mortgagee may apply the net proceeds to the payment of the indebtedness hereby secured, whether due or not; or the Mortgagee may require (i) the building to be repaired or replaced by the use of said net proceeds, or (ii) said net proceeds to be used for any other purpose or object without affecting the lien of this deed or the indebtedness secured hereby. Lowndes, by its execution of this Mortgage and Security Agreement, expressly agrees to the provisions of this paragraph respecting insurance and application of insurance proceeds.

Fifth: CARE OF PREMISES.

(a) The Borrower will keep the improvements now or hereafter erected on the premises in good condition and repair, will not commit or suffer any waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the premises or any part thereof.

(b) The Borrower will not remove or demolish nor alter the design or structural character of any building, fixture, chattel or other part of the premises without the written consent of the Mortgagee.

(c) If the premises or any part thereof is damaged by fire or any other cause, the Borrower will give immediate written notice of the same to the Mortgagee.

(d) The Mortgagee or its representatives is hereby authorized to enter upon and inspect the premises at any time during normal business hours.