

Page 4.

February 1st, 1940. In the event said Mortgagor shall fail to make any one and / or more than one of such deposits, then, and in that event, the entire indebtedness, including all accrued interest, may, at the option of the Trustee, become immediately due and payable, and the Trustee may, at its option immediately institute proceedings to enforce the payment of the said indebtedness and all costs connected with the collection thereof, including a reasonable attorneys' fee for the foreclosure of this mortgage.

Mortgagor further covenants that he will pay all taxes, assessments, and levies which shall, from time to time, be imposed, assessed or levied upon the property hereby conveyed, the lien whereof might be held superior to the lien of these presents, so that the priority of these presents shall be at all times duly maintained and preserved, and to take care of and preserve the said property, and to do, on demand of the Trustee or its successors, all acts necessary or proper to keep valid the lien hereby created and at any future time, and as often as may be necessary to execute, on demand of said Trustee, or its successor, all such other instruments of writing in due form and effect, as may be proper to the better carrying out of the true intent and meaning of these presents. Said Trustee, or the majority in amount of the holders of said notes, in default of the Mortgagor so to do, shall have the option and privilege of keeping said premises in good condition and repair, and paying for same, and paying such taxes and other legal charges, and all moneys paid and expenses incurred by reason thereof, and all attorneys' fees and costs paid in the event of any litigation in any manner concerning this trust, or concerning the indebtedness hereby secured, shall be immediately due and payable, and shall be considered as a part of the principal indebtedness secured by this conveyance; and the Trustee, or parties so paying same, shall be subrogated to all the equities of the person, firm or corporation to whom such money shall have been paid, and the said Trustee, or said note-holders, shall have the right and privilege of making such advancements without waiving the right to declare said indebtedness due. The amount, nature and necessity of such expenses and the time when paid shall be fully, finally and conclusively established by the affidavits of the then majority in amount of the holders of said notes, their agent or attorney, or by the certificate of any Trustee acting hereunder. The right to declare all notes and coupons due and payable upon default, as herein provided, shall not put upon the Trustee the duty of so declaring, nor shall this option set in operation the Statute of Limitations as to the notes not due under their terms, or not declared due hereunder.

The Mortgagor further covenants that he will at all times keep and maintain his property in thorough repair and condition, and that he will make all needed and proper repairs and replacements.

The Mortgagor further covenants that he will at all times maintain fire insurance in a sum of not less than Forty Thousand (\$40,000.00) Dollars and tornado insurance in a sum of not less than Thirty Thousand (\$30,000.00) Dollars. Said insurance shall be placed in companies satisfactory to the said Trustee; said policies to be deposited with the Trustee, and the loss, if any, in said policies, by a proper stipulation attached thereto, to be payable to the Mortgagor and the Trustee as their interest may appear. In case of loss, the Trustee may at its option allow the insurance money received on any policy of insurance to be applied by the Mortgagor towards the replacement, rebuilding or repair of the property destroyed or injured, if the Mortgagor shall, in writing, so request, and the Trustee in the event it permits such application of insurance money shall, upon request, and from time to time, as the work progresses, pay over to the Mortgagor for that purpose, on receipt of proper estimates of the owner or architect, of amount of material on the ground, work in place, or labor performed, or, at the option of said mortgagor, pay over all said moneys when final estimate is furnished that said property has been replaced at a cost as great as the amount of money so paid over. Should the amount received from any insurance company in settlement of any loss, exceed the amount of repairs or replacements necessary to be done to restore the property to its former condition such balance remaining in the hands of the Trustee shall, at the option of the Trustee, be paid over to the Mortgagor or any junior Mortgagee, upon final certificate of the architect, or owner that said repairs or replacements have been in fact completed. If the Mortgagor shall not request to so apply the insurance proceeds, the same may be invested by the Trustee in such securities as the Mortgagor shall select and the Trustee may approve, and said money and such investments, and all interest and accumulations therefrom shall thereupon become part of this security under this instrument to be held in like manner as the other property conveyed herein, except possession thereof shall be held by the said Trustee and except that if the Mortgagor shall, in writing, so request, then such insurance proceeds may be used to redeem outstanding notes as they mature. The Trustee may accept and approve, if it sees fit, any settlement of any loss made by Mortgagor and the insurance companies.

(5) Any breach of the covenants herein shall be a default on the part of the Mortgagor.

(6) In case any note or coupon at any time issued hereunder shall, prior to the payments thereof, become mutilated or be lost or destroyed, a new note and / or coupon of like tenor may, in the discretion of the Mortgagor and the Trustee, be executed, endorsed, authenticated and delivered in exchange or substitution therefor. All mutilated notes presented for exchange or substitution shall be surrendered to and cancelled by the Trustee, and be by it incinerated. In case of loss or destruction of any such note and / or coupons, the applicant for the substituted note and / or coupons shall furnish to the Mortgagor and the Trustee evidence of the Mortgagor and to the Trustee, and shall also furnish indemnity satisfactory to the Mortgagor and the Trustee.

(7) Until default, as herein defined, shall be made by the Mortgagor in the making of deposits and / or payment of the principal or interest of any of the notes secured by this indenture and which may then be outstanding, or in the due and effectual observance and perform-

(OVER)