

In addition to the regular monthly payments, the borrower will have the privilege of prepayment on account of principal which may be made on any installment due date, provided any additional payment equal to the total principal to become due in any one or more installments next succeeding date of payment, and the total of such additional payments in any loan year shall not exceed 10% of the original principal amount. Such additional payments shall accelerate final maturity but shall not affect the amounts or time for payment of the required installments prior to final maturity.

In addition to the foregoing privilege, the right is reserved of prepaying principal in whole or in part on any installment due date provided; (A) Such prepayment shall be equal in amount to the total principal to become due in one or more installments next succeeding the date of payment.

(B) That during the first three years of the loan, a charge of 3% of the amount prepaid is to be paid; during the fourth through the seventh year of the loan, a charge of 2% of the amount prepaid is to be paid; during the eighth through the tenth year of the loan, a charge of 1% of the amount prepaid is to be paid. After the tenth year, prepayment of all or any part of the loan may be made without penalty.

(C) Such additional payments shall not affect the amounts or time of subsequent required payments.

TOGETHER with all the singular the rights, members, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said premises unto the said PALMETTO STATE LIFE INSURANCE COMPANY, its successors and assigns forever.

The Mortgagor covenants that he is lawfully seized of the premises hereinabove described in fee-simple absolute, and that he has good right and lawful authority to sell, convey or encumber the same, and that the premises are free and clear of all liens and encumbrances whatsoever. The Mortgagor further covenants to warrant and forever defend all and singular the said premises unto the PALMETTO STATE LIFE INSURANCE COMPANY, its successors and assigns, forever, from and against the Mortgagor and all persons whomsoever lawfully claiming the same or any part thereof.

AND IT IS AGREED by and between the said parties that the mortgagor, his heirs, executors or administrators, shall and will insure the house and buildings on said lot, and keep the same insured from loss or damage by fire and windstorm and such other casualties and contingencies and in such companies and for such amounts as may be satisfactory to the mortgagee or holder until the debt secured hereby is fully paid, and assign the policy of insurance to the said PALMETTO STATE LIFE INSURANCE COMPANY, its successors or assigns, and in case that they shall, at any time, neglect or fail so to do, then the said PALMETTO STATE LIFE INSURANCE COMPANY, its successors or assigns, may cause the same to be insured in its own name, and reimburse itself for the premium and expenses of such insurance, together with interest on the amount so paid, at the rate of six (6%) per cent per annum, from the date of such payment, which said sum shall be secured by this mortgage, and included in any judgment recovered hereunder.