

insurance companies involved shall, upon such settlement being made, be liable in any manner to the mortgagor.

Any tax, assessment, or premium of insurance, not paid when due by the mortgagor, may be paid by the mortgagee, or its assigns, and any sum so paid shall be added to the amount of said principal debt as part thereof, shall draw interest from the time of said payments at the rate of Seven and one-fourth (7½) per centum per annum, and shall, with interest, be covered by the security of this mortgage.

The mortgagee shall have the right to apply any funds received from losses on account of the indebtedness or other items herein secured, or at its option may allow the same to be used in restoring the mortgaged premises, provided the mortgagee, if restoration of the premises is agreed to, may retain said funds without interest until said premises be so restored in a satisfactory manner.

3. AND IT IS FURTHER COVENANTED, that the said mortgagor shall create a fund for the payment of all taxes and assessments, general and special, and insurance premiums by depositing with the noteholder on the days payments on account of principal and interest are due hereunder, an amount to be fixed from time to time by the noteholder, and there shall be no interest on said deposits.

4. AND IT IS FURTHER COVENANTED, that the said mortgagor shall pay, as the same may become due, all taxes by whatsoever authority legally imposed upon the property hereby mortgaged, and in case it shall at any time neglect or fail so to do, then the said The Life Insurance Company of Virginia, or its Agent, may pay such taxes and reimburse itself for the same, with interest thereon, at the rate of Seven and one-fourth (7½) per centum per annum, and that the same shall stand secured by this mortgage.