

11. As further security for the payment of the indebtedness evidenced by the note secured hereby, the Mortgagor has executed and delivered to the Mortgagee an assignment of life insurance policy as collateral, the name of the insurer, the policy number, the name of the insured, and the face amount of each such policy being as follows:

<u>Insurer</u>	<u>Policy No.</u>	<u>Insured</u>	<u>Amount</u>
The Independent Life & Accident Insurance Co.	67-004-450	Rex H. O'Steen, Jr.	\$200,000.00

So long as any of the indebtedness secured hereby shall remain unpaid, the Mortgagor agrees to keep in full force and effect the policies of life insurance assigned to the Mortgagee as collateral security for the payment of the indebtedness secured hereby. The Mortgagor covenants and agrees to pay, whenever due, all premiums that are required to maintain such life insurance in force and will furnish or cause to be furnished to the Mortgagee a copy of any notice of default or termination relating to such life insurance immediately after the receipt thereof and, if requested by the Mortgagee, proof of the payment of all premiums on such policies promptly after the respective due dates thereof, or proof of the waiver thereof by the insurance company under an approved disability claim. If the said Mortgagor shall at any time refuse or neglect to pay the premiums aforesaid, or any of them, the Mortgagee is hereby authorized, at its election, to pay said premiums and the full amount of each and every such payment shall be immediately due and payable and shall bear interest from the date thereof until paid at the rate of 7% per annum and, together with such interest shall be secured by the lien of this mortgage, but nothing herein contained shall be construed as requiring the said Mortgagee to pay the same. The Mortgagor stipulates, covenants and agrees that, in addition to the monthly installments to be paid under the terms of the note secured hereby, it will pay to the Mortgagee, if the Mortgagee shall so require, the sum of money equal to the monthly premium for such life insurance or equal to 1/12 of the annual premium for such life insurance, which sums shall be credited by the Mortgagee to apply in payment of said life insurance premiums.

12. The Mortgagee may resort for the payment of the indebtedness secured hereby to its several securities therefor in such order and manner as it may think fit, and may at any time release any policy or policies of life insurance as collateral security for the payment of the indebtedness secured hereby without regard to the consideration for such release and/or may accept a new policy or policies of life insurance in place thereof for such amount or amounts and in such form as it may approve without being accountable for so doing to any other lienor, and it is expressly understood and agreed that if any of the said policies of life insurance shall be cancelled or released and a new policy or policies of life insurance shall be substituted in place thereof, the Mortgagor shall keep such new policy or policies in full force and effect until the indebtedness secured hereby is fully paid and satisfied and in default thereof the entire indebtedness secured hereby shall, at the option of the Mortgagee, become due and payable forthwith and without notice.

Rex H. O'Steen, Jr.
M. J. O'Steen