

Mortgagor covenants with Shell: that Mortgagor is lawfully seized of the premises in fee simple and has good right and lawful authority to sell, convey and mortgage the same; that the premises are free from all liens and encumbrances; and that Mortgagor will warrant and defend the title to the premises against the lawful claims and demands of all persons whomsoever. Mortgagor hereby waives and releases all right of homestead, dower and curtesy in the premises.

Mortgagor hereby further covenants and agrees with Shell as follows:

1. Mortgagor shall pay promptly and fully all sums becoming due and payable by Mortgagor to Shell under the Financing Agreement or Promissory Note (as the case may be), at the time and in the manner therein provided.
2. Mortgagor shall pay all taxes, assessments and charges, both general and special, that may be levied or assessed upon the premises, before the same become delinquent, and all obligations which are or may become a lien thereon, when the same become due; and if Mortgagor fails so to do, Shell shall have the right, at its option, to pay the same and charge to Mortgagor all sums so expended, and to be subrogated to all the rights of the holders of such lien obligations.
3. Mortgagor shall make all necessary repairs to the buildings and improvements (including fixtures) now or hereafter located on the premises. If any of the buildings and improvements are damaged or destroyed, in whole or in part, by any cause whatsoever, Mortgagor shall immediately repair, replace and reconstruct the same. If Mortgagor fails, at any time, to make such necessary repairs, or fails, within thirty (30) days after the occurrence of any such damage or destruction, to make the necessary repairs, replacements and reconstruction, Shell shall have the right, at its option, to make such repairs, replacements or reconstruction and charge to Mortgagor all sums expended therefor. Mortgagor shall not substantially alter or modify or remove any of the buildings and improvements, or any part thereof, without the prior written consent of Shell.
4. Mortgagor shall secure and maintain in force insurance on all buildings and improvements (including fixtures) now or hereafter located on the premises, in the amount of their full insurable value, against the perils covered by the standard fire and extended coverage policy, the policy or policies of which shall be by insurers satisfactory to Shell, shall be payable to Shell as its interest may appear, and shall be deposited with Shell. If Mortgagor fails to secure or maintain such insurance, Shell shall have the right, at its option, to secure and maintain the same and charge to Mortgagor all sums expended therefor. If the buildings and improvements are damaged or destroyed, in whole or in part, by any of the insured perils, Shell shall have the right, at its option, to apply the proceeds of such insurance either to the payment of the indebtedness secured hereby, or any part thereof, whether or not the same is then due and payable, or to the payment of the cost of the repair, replacement or reconstruction of the buildings and improvements so damaged or destroyed; and any unapplied balance thereof shall be paid to Mortgagor.
5. If all or any part of the premises is condemned for public or quasi-public use, Mortgagor shall give Shell prompt notice of the initiation of the condemnation proceeding; and out of any award, settlement or compensation payable to Mortgagor in the condemnation proceedings there shall be paid to Shell the then unpaid balance of the indebtedness secured hereby or so much thereof as such award, settlement or compensation will cover, for application to the payment of such balance, whether or not then due and payable; and Mortgagor hereby assigns such amount to Shell. Nothing contained in this paragraph shall waive, limit or affect in any way Shell's rights, then accrued or thereafter to accrue, in any condemnation proceeding, settlement or award.
6. All sums expended by Shell and charged to Mortgagor under the provisions of this Mortgage shall be added to the indebtedness secured hereby, shall be payable upon demand, and shall bear interest at the rate of six percent (6%) per annum from the date of their expenditure until paid.
7. If Mortgagor defaults in the payment of any sum becoming due and payable by Mortgagor under the Financing Agreement or Promissory Note (as the case may be), or in performance or observance of any of the covenants or conditions of this Mortgage, or of any mortgage which may be a prior lien on the premises, or if Mortgagor enters bankruptcy, insolvency or reorganization proceedings either voluntarily or involuntarily, or makes an assignment for the benefit of creditors, or commits or permits waste on the premises, Shell shall have the following cumulative rights, in addition to any other rights or remedies Shell may have:
  - (a) at its option, to declare the entire unpaid balance of the indebtedness secured hereby to be immediately due and payable; and
  - (b) at its option, to pay any sums due and payable under any prior mortgage and charge the same to Mortgagor; and,