

an additional amount sufficient to discharge the Impositions and to pay said premiums when they become due. The determination of the amount so payable and of the fractional part thereof to be deposited with Mortgagee so that the aggregate of such deposit shall be sufficient for such purpose shall be made by Mortgagee in its sole discretion. Such amounts shall be held by Mortgagee without interest and may be commingled with Mortgagee's general funds. Such amounts shall be applied to the payment of the Impositions and of the premiums in respect to which such amounts were deposited or, at the option of Mortgagee, to the payment of the Impositions and of the premiums under such order or priority as Mortgagee shall determine, at or before the respective dates on which the same or any of them would become delinquent. If one month prior to the due date of any of the Impositions or premiums, the amounts then on deposit therefor shall be insufficient for the payment thereof in full, Mortgagor within ten (10) days after demand shall deposit the amount of the deficiency with Mortgagee.

In the event Mortgagor's interest in the Property passes to another party, either voluntarily or by operation of law, all of the right, title and interest of Mortgagor in the aforesaid fund shall pass to the successor to Mortgagor's interest in the Property.

Nothing herein contained shall be deemed to affect any right or remedy of Mortgagee under any provisions of this Mortgage or of any statute or rule of law to pay such amount and to add the amount so paid, together with interest at the rate of fifteen percent (15%) per annum or the highest rate of interest permitted by law, whichever is lower (the "Default Rate") to the indebtedness hereby secured.

5. Insurance. Mortgagor will maintain insurance on the Mortgaged Property, including the Improvements and the Chattels,