

Date provided for the first payment of interest in the note and on the first day of each month thereafter until this note has been fully paid, a sum equal to one-twelfth (1/12) of the yearly taxes assessed against the premises mortgaged as security for this Promissory Note and a sum equal to one-twelfth (1/12) of the premiums on the hazard insurance policies on said premises. HNC shall hold said sums in trust to pay said taxes and insurance premiums when the same become due and payable each year.

In the event of any default in the payment of any installment or interest payment on this note and such default continuing for a period of fifteen (15) days after the due date thereof, or in the event of any default in the performance of any of the conditions or stipulations of the mortgage or other instrument or collateral securing this note, or if any change in South Carolina law concerning taxation of the said sum of this note or the said mortgage shall impose any new or additional tax thereon, or upon the interest income therefrom, against the holder hereof and such holder shall not be protected and indemnified against such tax before it becomes delinquent, then at the option of the holder of this note the entire amount of principal and interest remaining unpaid, together with any prepayment fee which would otherwise accrue if this note were paid prior to its maturity at the election of the maker, if any, shall immediately become due and payable without notice. Notwithstanding any other provision for a prepayment fee as provided in this note and in lieu of any such fee, the entire amount of principal and interest remaining unpaid shall immediately become due and payable at the option of the holder hereof together with an additional sum equal to three (3%) percent of such principal upon the placing

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