

Contributory Mortgagee Clause with loss payable to Mortgagee and shall also contain a provision that such insurance shall not be cancelled or substantially amended except upon thirty days' (30) prior notice to Mortgagee. Whenever required by Mortgagee, such policies as Mortgagee may from time to time require, shall be delivered immediately to and held by Mortgagee. In the event that the premises or any part thereof are damaged or destroyed by fire or any other casualty, Mortgagee may, in its sole discretion, apply all or any part of the insurance proceeds to pay in full or reduce the indebtedness or any other sums secured hereby whether due or not in such order as the Mortgagee may determine or may apply such proceeds or any portion thereof to the cost of restoration, replacement or repair of any damage or destruction. Regardless of Mortgagee's decision as to application of any such proceeds Mortgagor shall promptly repair, replace and restore the premises to substantially the same condition as existed prior to such casualty. All costs of such repair, replacement and restoration of the premises shall be paid by the Mortgagor and all such repairs, replacements and restoration shall be part of the security of this instrument. To the extent that the Mortgagee has not applied the insurance proceeds or reserved same for application to reduce the indebtedness or any other sums secured hereby and if the insurer of any such fire or other casualty waives or has no right to be subrogated to the debt and security of the Mortgagee, and Mortgagor is not in default under the obligations, and if the insurance proceeds, together with the funds furnished by the Mortgagor from sources other than such proceeds shall be sufficient to cover the costs of reconstruction or