

repair as established by certificate of an architect or engineer employed by the Mortgagee at the expense of the Mortgagor, Mortgagee will make available any insurance proceeds paid to it under any of the foregoing policies for the purpose of repair, replacement and restoration of the damaged premises, which proceeds shall be disbursed in installments upon furnishing of such proof as Mortgagee may require (1) that the sums requested are fully due to each party providing services or materials therefor and to be paid out of said sums and that such work or materials has been satisfactorily completed, (2) that the sums requested plus all sums previously paid out by Mortgagee do not exceed the value of the work done to the date of the request, (3) that the insurance proceeds remaining in Mortgagee's hands will be sufficient upon completion of the repairs, replacement and/or restoration to pay for same in full; provided that if (3) is not satisfied, the Mortgagor shall pay to the Mortgagee upon demand the amount of the deficiency which shall be held and paid out by the Mortgagee in accordance herewith, and (4) that the conditions set forth in paragraph 5(i)(a), (b) and (c) have been met. If Mortgagor is not in default under the obligations, and shall have completed and paid for the entire cost of repair, replacement and restoration, any excess of hazard insurance proceeds held by the Mortgagee may at the discretion of the Mortgagee be applied to reduce the indebtedness or any other sums secured hereby or may be paid to Mortgagor. In the event of the Mortgagor's refusal or failure to commence and complete the repairs, replacement or restoration with due diligence, or in the event such repair, replacement and restoration is not commenced within 90 days after notice by Mort-