

The Mortgagors covenant and agree that they will pay all taxes, assessments, levies and charges upon or against the land and other property herein described and hereafter covered by this mortgage when due, and will continuously keep the buildings and structures now or hereafter on said premises insured against loss and damage by fire, tornado and wind storm, and against such other hazards and in such amounts as the Lender may require, for the benefit of the Lender, loss, if any, to be made payable in the policy or policies of insurance to the Lender as its interest may appear, the loss payable clauses to be in such form as the Lender may require, and will pay the premiums therefor when due. All insurance shall be in companies approved by the Lender and the policies and renewals thereof shall, when issued, be immediately delivered to the Lender to be held by it. All renewal policies will be delivered to the Lender at least ten days prior to the expirations of the policies of which they are renewals. The proceeds of any insurance, or any part thereof, may, at its option, be applied by the Lender either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged or destroyed.

It is agreed that none of the property hereinabove described will be conveyed or transferred while this mortgage is in effect, unless the Lender shall have given its consent in writing thereto. If any such conveyance or transfer is made without such prior written consent, the balance of the note then unpaid, with interest, and any other obligations hereby secured, shall, at the option of the Lender, become immediately due and payable.

If any policy or policies of life insurance upon the life of the Mortgagors or either of them or of any other person shall be assigned as additional security for the payment of the indebtedness secured hereby, the Mortgagors covenant and agree that they will pay or cause to be paid all premiums on such policy or policies as they become due, and will keep such policy or policies in effect and assigned to the Lender as additional security for the payment of the indebtedness secured hereby until all of such indebtedness has been paid.

The Grantors, in order to more fully protect the security of this deed of trust, agree, if requested to do so by the Lender, that in addition to the payments of principal and interest under the terms of the note hereby secured, they will pay to the Lender, on each date on which monthly payments are due under the terms of the aforesaid note, a sum equal to one-twelfth of the known or estimated (by the Lender) yearly taxes, assessments and insurance premiums on or against the mortgaged premises. The Lender shall hold such payments in trust, without obligation to pay interest thereon, and shall apply the same to the payment of taxes, assessments and insurance premiums as and when due. If the total of such monthly payments shall exceed the amount needed, the excess shall be held for such future needs; but, should such monthly payments at any time fail to provide sufficient funds to pay taxes, assessments and insurance premiums when due, then the Grantors shall, upon demand, pay to the Lender the amount necessary to cover the deficiency. When the Grantors shall have paid all of the indebtedness secured by this deed of trust, the Lender will refund to the Grantors any excess funds accumulated hereunder. In the event of default in the payment of any of the indebtedness secured by this deed of trust, the Lender may, at any time thereafter, apply any balance then remaining of the funds accumulated for the aforesaid purposes to the payment of such indebtedness.

If the Mortgagors shall fail to pay any premium for any insurance above mentioned or any taxes, assessments, levy or charge, when due, the Lender may, at its option, make such payments and in such case the amounts so paid shall immediately become debts due to the Lender by the Mortgagors, together with a reasonable service charge or interest and shall be secured by this mortgage to the same extent as the note hereinabove described.

~~xxxx~~ The lender may collect a "late charge" not to exceed \$.06 for each \$1.00 of each ~~xxxx~~ payment more than 15 days in arrears. The "late charge" will be charged to cover the extra expense in handling delinquent payments and not as interest.

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