

writing by Mortgagee from time to time. Such insurance shall be in amounts reasonably acceptable to, and in every other respect reasonably satisfactory to, Mortgagee and shall contain a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Mortgagee. Mortgagor has a right of free choice of agent and insurer through or by which such insurance is placed, subject only to the requirements that the insurer's financial condition is reasonably satisfactory to Mortgagee. If Mortgagor fails to carry any insurance required to be carried by Mortgagor under the terms of this Mortgage, Mortgagee at its option may procure and maintain such insurance and Mortgagor will promptly reimburse Mortgagee for any premiums paid by Mortgagee for such insurance. Certificates evidencing all policies of insurance (and copies of such policies) required to be carried under this Mortgage bearing notations evidencing the payment of premiums or accompanied by other evidence satisfactory to Mortgagee of such payment shall be delivered to Mortgagee concurrently with the execution and delivery hereof. Mortgagor shall deliver to Mortgagee a new certificate bearing such notation or accompanied by such other evidence, as replacement for any expiring policy at least fifteen (15) days before the date of such expiration. Mortgagor will also carry such other insurance as Mortgagee may reasonably require, provided such other insurance is customarily maintained by owners of similar real property. All policies of insurance required by this Paragraph 6 shall contain a noncontributory standard mortgagee clause (New York Mortgagee's clause, so-called) in favor of Mortgagee, shall contain a waiver of the insurer's right of subrogation against funds paid under the standard mortgagee endorsement and shall be in every respect reasonably satisfactory to Mortgagee. Mortgagor shall notify Mortgagee in writing of the occurrence of any material loss or damage with respect to any of the Mortgaged Property within forty-eight (48) hours of such loss or damage. In case of a loss payable under such insurance for damage to or destruction of any of the Mortgaged Property, the right to adjust all claims under such insurance policies, and the application of the proceeds of any such claim, shall be assigned to Mortgagee. Mortgagor hereby assigns to Mortgagee all amounts recoverable under any policy. The amount collected by Mortgagee may, at the option of the Mortgagee, be used in any one or more of the following ways: (1) applied to the payment of any sums payable to Mortgagee which are in default, (2) used to fulfill any of the covenants contained herein which Mortgagor has failed to fulfill as Mortgagee may determine, (3) paid to Mortgagor to restore the Mortgaged Property to a condition reasonably satisfactory to Mortgagee on such terms and conditions as Mortgagee may determine, or (4) released to Mortgagor. Mortgagee is hereby irrevocably appointed by Mortgagor as attorney-in-fact of Mortgagor to assign any policy in the event of the foreclosure of this Mortgage or other extinguishment of the Indebtedness, and Mortgagor shall have no right to reimbursement for premiums unearned at the time of any such assignment.

7. SALE, ASSIGNMENT OR MORTGAGE OF MORTGAGED PROPERTY

Mortgagor will not, without the prior written consent of Mortgagee, sell, assign, transfer, further mortgage, grant or encumber, whether by operation of law or otherwise, any or all of its interest in the Mortgaged Property and/or in the rents, issues or profits from the Mortgaged Property and any such sale, assignment, transfer, mortgage, deed of trust, pledge, charge or other disposition or encumbrance made without Mortgagee's prior written consent shall be null and void and of no force and effect, except a mortgage or deed of trust in favor of BO-LOMB SOUTH, INC., a Delaware corporation, to be executed contemporaneously with this Mortgage.