ADDITIONAL TERMS AND CONDITIONS RIDER ANNEXED TO AND MADE PART OF MORTGAGE GIVEN TO CREDIT ALLIANCE CORPORATION, MORTGAGEE, DATED BY

James H. Thompson and Joanne U. Thompson, **MORTGAGOR**

A. If Mortgagor, without the prior written consent of Mortgagee, enters into or obtains any agreement whereby the holder of any mortgage on the premises or any portion thereof modifies, amends or alters same or waives, postpones, reduces, extends or modifies the payment of any sum required to be paid under said mortgage, the same shall be an event of default hereunder and in addition to any and all other rights of Mortgagee hereunder, Mortgagor shall immediately pay to Mortgagee, as additional amortization of the indebtedness secured hereby, to be applied against the last installments of said indebtedness, an amount equal to the amount of principal or interest, or both, required to have been paid but for such waiver, postponement, reduction, extension or modification. Mortgagor shall not take, acquire or permit to be taken or acquired by any other party a junior or subordinate interest in any prior mortgage without the prior written consent of Mortgagee.

B. Mortgagor will from time to time furnish to Mortgagee, upon request, statements of income and disbursements, assets and liabilities, setting forth in reasonable detail the financial condition of Mortgagor, and any other financial statements or information requested by Mortgagee, all prepared by Certified Public Accountants. Mortgagor will at any time and from time to time after the execution and delivery of this Mortgage, promptly upon request, execute and deliver such further documents and do such further acts and things as Mortgagee may request in order fully to effect the purposes and provisions of this Mortgage.

C. Mortgagor shall give Mortgagee immediate notice of any default under any prior mortgage, and shall forthwith give Mortgagee copies of any notices received from the holder of any prior mortgage, and shall give Mortgagee all information which it may request concerning the performance by Mortgagor of the covenants, conditions and provisions of any prior mortgage.

D. Mortgagor will permit Mortgagee or its representatives to inspect the mortgaged premises at any time and from time to time during usual business hours and to examine the books of account of Mortgagor with respect thereto and to discuss the affairs, financial and otherwise, of Mortgagor with its officers, accountants, banks and any other financers and be advised by them with respect thereto and hereby authorizes such parties to discuss said affairs and render such advice and information.

E. Any waiver by Mortgagee of any default by Mortgagor shall not be deemed a waiver of any other default hereunder. Any failure to exercise, or delay in exercising any right hereunder by Mortgagee shall not be deemed a waiver thereof, and shall not be deemed a waiver of any such rights for the future. Mortgagor agrees, to the full extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of any appraisement, valuation, stay, extension, recemption or moratorium law now or hereafter in effect so as to prevent or hinder the enforcement of the provisions of this Mortgage or any rights or remedies Mortgagee may have hereunder or by law. If any date of payment of any part or all of the indebtedness secured hereby shall fall due on a Saturday, Sunday or Holiday, such payment shall be due and payable during normal business hours of the preceding business day. All rights and remedies of Mortgagee hereunder are cumulative and shall not be deemed exclusive of any rights or remedies as may be provided by law. To further secure the indebtedness of Mortgagor to Mortgagee, Mortgagor hereby grants, bargains, sells, assigns, transfers, conveys, pledges, mortgages and confirms to Mortgagee, all and singular, the goods, chattels, fixtures and property located on the mortgaged premises and all other goods and chattels, fixtures and property of every kind and nature, wherever located, now or hereafter belonging to Mortgagor. Mortgagor will, in the same manner hereinabove provided, keep all the property mortgaged hereby insured against loss by fire and risks now or hereafter covered by extended coverage forms and endorsements for the benefit Mortgagee and will assign and deliver the policies to Mortgagee and reimburse Mortgagee for any premiums paid by Mortgagee for insurance upon Mortgagor's failure to so insure said property or in so assigning and delivering said policies. The provisions of Section 254 of the Real Property Law of the State of New York shall apply to such insurance as well as to the insurance hereinabove required and Mortgagor will notify Mortgagee promptly of any loss or damage to the buildings and/or such other property by reason of fire or other casualty or hazard or of any proceedings or negotiations for the taking thereof or any part thereof, by condemnation, eminent domain or otherwise, and, in the case of personal property, any loss of possession thereof. Mortgagor will not enter into any agreement for the taking of the mortgaged premises or any part thereof with any person or entity authorized to acquire same by condemnation, eminent domain or otherwise, without the prior written consent of Mortgagee. Mortgagor will furnish to Mortgagee, within ten days after demand, receipted bills or other evidence satisfactory to Mortgagee of payment of all premiums due on all insurance policies required to be maintained under this Mortgage. All policies of insurance maintained hereunder by Mortgagor will contain the standard non-contributing New York form of mortgagee clause, with loss payable to Mortgagee, and will provide that same may not be cancelled nor amended without at least thirty days prior written notice to Mortgagee, that Mortgagee shall not be responsible for the premiums and that no negligence nor fault of the Mortgagor shall affect the rights of Mortgagee thereunder.

F. Mortgagor will pay on demand the amount of any United States documentary stamp taxes, with interest and penalties, that may be levied upon the issuance of the obligation which this mortgage secures, and in default thereof Mortgagee may pay same for Mortgagor's account. The interest rates which are provided for herein (all herein called "Contract Rates") are based on the New York City banks' prime money rate in effect on the date of Mortgagor's initial application to Mortgagee with respect to this transaction. In the event that there should be one or more increases or decreases in such prime rate, the Contract Rates shall be increased (or respectively decreased) on the effective date thereof to the extent of .30% for each .25% change in the prime rate; however, in no event shall the Contract Rates be less than as stated herein. Mortgagor will pay all costs and expenses in connection with this transaction, including but not limited to recording charges, mortgage taxes, charges for title examination, insurance and appraisals and all fees and disbursements of Mortgagee's counsel, all of which are to be paid by Mortgagor.

G. In addition to the Note and/or other obligation referred to in this mortgage, this mortgage shall secure any and all loans and/or indebtedness and/or obligations owed or to be owed by Mortgagor to Mortgagee, however and whenever arising, and whether under this instrument or otherwise.

H. In addition to the events of default herein stated, the whole of the indebtedness secured by this mortgage shall become due and payable, at the option of Mortgagee, immediately, without notice, upon the occurrence of any one or more of the following events:

(1) The commencement of any bankruptcy, insolvency, receivership or similar proceeding by or against Mortgagor or the maker or any guarantor of the Note or any other obligation secured by this mortgage, or the making or the commission by Mortgagor for the principal debtor, if this mortgage is given to secure a guarantee by Mortgagor of said principal debtor's indebtedness) of an assignment for the benefit of creditors or of an act of bankruptcy;
(2) Default by Mortgagor (or the principal debtor, if other than Mortgagor) on any note, guaranty, obligation or indebtedness of Mortgagor (or the principal debtor, if other than Mortgagor) owing to or held by Mortgagee;
(3) A change in the management of Mortgagor (or the principal debtor, if other than Mortgagor);
(4) Default under that certain Note Purchase Agreement of even date herewith signed by Mortgagor and Mortgagee;
(5) Breach of any of Mortgagor's agreements, warranties and/or representations under this Mortgage or any other agreement held by Mortgagee.

I. Mortgagor will, if so requested by Mortgagee in writing, make appropriate periodic escrow deposits with Mortgagee for the purpose of meeting mortgagor's obligations under any prior mortgages, taxes, leases and under the insurance requirements herein whether or not such are being taken by any other person. Mortgagee may, in its sole discretion, at any time, with or without exercising any of its rights or remedies hereunder and in addition thereto and without prior notice or demand to Mortgagor, appropriate and apply toward or hold as security for the payment of any of Mortgagor's obligations to Mortgagee of whatever kind, whenever arising, due or to become due and whether under this agreement or otherwise (as well as those of any other persons liable hereunder) any and all balances, sums, property, credits, deposits, accounts, reserves, collections, money, papers, instruments, drafts, notes, checks (and for such purposes endorse the name of Mortgagor on any such instrument), property of any kind (including without limitation the aforesaid escrow deposits) which may come into Mortgagee's possession, custody, or control under any circumstances, whether under this or any other agreement. Such application may be made as a prepayment without notice to Mortgagor, against any obligations owing by Mortgagor to Mortgagee, in whole or in part, as Mortgagee in its sole discretion may elect. Any prepayment hereunder shall be applied, in Mortgagee's sole option and discretion, in the inverse order of their stated maturities and any stipulated periodic installments shall not be affected thereby nor shall Mortgagor be entitled to any refund or rebate on account thereof. Mortgagor irrevocably constitutes and appoints Mortgagee its lawful attorney and agent to execute financing statements, continuation statements and other documents related to the perfection or protection of the security interest hereby created and hereby further authorizes Mortgagee, at the expense of Mortgagor, to file on its behalf such statements and documents in any and all appropriate public offices. It is hereby agreed that this document shall constitute a General Power of Attorney pursuant to Article XIII of the New York General Business Law, as aforementioned, and Mortgagor does hereby appoint and constitute Mortgagee the true and lawful attorney-in-fact for Mortgagor and in the name, place and stead of Mortgagor to act with respect to the premises in any way in which Mortgagor could do if it were personally present with respect to the following matters as each of them are defined in Article XIII of the New York General Business Law: (a) Real estate transactions, (b) Chattel and goods transactions, (c) Banking transactions, (d) Business operating transactions, (e) Insurance transactions, (f) Claims and litigation, (g) Endorsement of any and all checks, remittances and collections, (h) Execution of documents, letters, vouchers, reports and other writings; and (i) All other matters, granting and giving unto said attorney-in-fact full authority and power to do and perform any and all other acts necessary or incident to the performance and execution of the powers herein expressly granted, with full power and authority to do and perform all acts authorized hereby as fully to all intents and purposes, as the Mortgagor might and could do if personally present with respect to the premises, with full and unqualified authority and power in Mortgagee to delegate any one or more of the foregoing powers to any persons whom the aforesaid attorney-in-fact shall select.

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