

terminates in accordance with Borrower's and Credit Union's written agreement or applicable law except in the event where we agree to pay for such insurance without cost or obligation to the Borrower. Any amounts disbursed by us pursuant to this paragraph with interest thereon, at the then applicable Agreement rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and the Credit Union agree to other terms of payment, such amounts shall be payable upon notice from the Credit Union to Borrower requesting payment thereof. Nothing contained in this paragraph shall require the Credit Union to incur an expense or take any action hereunder.

8. Inspection. We may make or cause to be made reasonable entries upon and inspections of the Property, provided that we shall give you notice prior to any such inspection specifying reasonable cause therefore related to our interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to us subject to the terms of any mortgage, or other security agreement with a lien which has priority over this Mortgage.

10. Loan Charges. If the loans secured by this Security Instrument (is) (are) subject to a law which set maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan(s) exceed permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limits; and (2) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. We may choose to make this refund by reducing the principal owed under the Revolving Credit Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Revolving Credit Agreement.

11. Notices. Unless applicable law requires a different method of giving notice, we will send all notices and statements to Borrower's address as shown on our records, and you agree that that will be sufficient delivery.

12. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect of either rendering the provisions of the Revolving Credit Agreement or this Security Instrument (other than this paragraph) unenforceable according to their terms, or all or any part of the sums secured hereby uncollectable, as otherwise provided in the Security Instrument, or of diminishing the value of our security, then we, at our option, may declare all sums secured by the Security Instrument to be immediately due and payable. In such event, you shall not have the right to reinstate.

13. Waiver of Homestead and Appraisal. Mortgagor waives all rights of homestead exemption and also waives the right to assert any statute providing appraisal rights which may reduce any deficiency judgment obtained by Lender against Mortgagor in the event of foreclosure of this Mortgage.

14. Civil Action. In the event that Mortgagee is named as a party to any civil action as Mortgagee of this Mortgage, it shall be entitled to employ an attorney at law to represent it in said action and the reasonable attorneys fees of the Mortgagee in such action shall be paid by the Borrower and charged to the existing obligation secured by this Mortgage.

15. Prior Liens. Default under the terms of any instrument secured by a lien to which this Mortgage is subordinate shall constitute default hereunder.

16. Obligation Payable on Sale or Transfer. Unless we agree otherwise in writing, the Agreement obligation secured by this Mortgage shall become immediately due and payable if you sell, transfer, or assign any ownership interest in the real property described herein.