

aforesaid shall at all times be covered by the lien of this mortgage. Mortgagor further covenants as a condition of this mortgage to keep strict account of the sales so conducted in said business, and on the 10th day of each month during the term of this mortgage to render to Mortgagee a true accounting of such sales during the preceding calendar month, and to pay over to Mortgagee at each such monthly accounting a sum amounting to not less than five percent (5%) of the gross sale price of said goods so sold during the preceding month, exclusive of sales or other excise taxes, and Mortgagor shall be permitted to retain for himself the balance of said sales for operating expenses of said business and for the replenishment of said stock and merchandise. Such monthly installments computed as aforesaid shall be applied in payment of the indebtedness secured hereby, and provided also that such monthly installments shall be in a sum not less than ~~500.00~~ ^{who} ~~500.00~~ ^{LL}, including the interest accruing on the deferred balances of the same from month to month at 6% per annum, all as provided in the promissory note secured hereby. Mortgagor agrees upon request of Mortgagee to furnish to Mortgagee a conformed copy of his monthly and/or quarterly excise tax reports required to be made to the Washington State Tax Commission, and Mortgagee shall be privileged to examine the books and records of Mortgagor concerning said business for the purpose of determining or confirming the amount of such sales and/or inventory of said merchandise, at all reasonable times.

2. Mortgagor covenants to operate and conduct his said business in a good businesslike manner and pursuant to all laws or regulations pertaining to the same. Mortgagor covenants to seasonably pay all taxes levied or assessed upon the property herein mortgaged and to seasonably pay any and all other charges incurred in connection with the operation of said business or for the repair and maintenance of the mortgaged property, including the payment of the accounts of his wholesaler's prior to the discount date. Mortgagee may, at his election, make any such payments or other payments as may be required to protect and conserve the mortgaged property or to preserve the priority of this mortgage, and any sums so paid by Mortgagee thereby shall be repayable by Mortgagor on demand and shall likewise be secured by the lien of this mortgage.

3. Mortgagor further covenants to keep the real and personal property herein described continually insured against fire and extended coverage to the full insurable value of the same with a company or companies authorized to transact such insurance business within the State of Washington, with losses payable to Mortgagee thereon as his interest may appear. Mortgagor agrees further to maintain policies of public liability, druggist liability, burglary and holdup and business interruption insurance covering his said business activities in policy amounts and with coverage at least equivalent to such coverage heretofore carried by Mortgagee. Mortgagor further agrees during the continuation of this mortgage to maintain a policy or policies of life insurance issued by a company or companies authorized to transact such business in the State of Washington insuring the life of Mortgagor in an amount not less than the unpaid balance of the obligation secured hereby and with such policy proceeds payable to Mortgagee to the extent of any balance remaining due thereon. All such policies of insurance and any renewals of the same shall be in the possession of Mortgagee, and in event of any such insurable loss and the payment of insurance proceeds to Mortgagee as aforesaid, any sums so paid on account of such insurance shall be credited upon the balance owing on the obligation secured hereby. Mortgagor agrees to seasonably pay all