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1. That Kaw is the owner in fee simple of the premises described under TRACT I, that said premises are free of all other liens and encumbrances, and that it will warrant and defend the title thereto against the claims of all persons. That Jayhawker is the owner in fee simple of the premises described under TRACT II, that said premises are free of all other liens and encumbrances with the single exception of a prior lien in favor of American National by reason of a mortgage of even date herewith securing a note in the sum of \$4,000,000 from Jayhawker payable to American National, and that it will warrant and defend the title thereto against the claims of all persons.

2. That they will pay the debt secured hereby, including future debts, in accordance with the terms of the Note or any notes evidencing future debts, including notes given in renewal thereof.

3. That they will procure and keep in force insurance, in an amount acceptable to American National, insuring Kaw and Jayhawker and American National, as their respective interests may appear, against loss from damage to or destruction of any part of the premises by fire or other common hazards; and it will deliver to American National the policy or policies of such insurance or other evidence acceptable to American National that such insurance is in force. Any proceeds becoming payable under such insurance shall be paid to American National and, at its option, may be applied to the debt secured hereby or released for repairing or rebuilding the premises.

4. That they will pay before the same become subject to penalty all general and special taxes, assessments, and other governmental charges of whatever character that are levied or assessed against the premises or any rents or income therefrom or in respect of the occupancy, use, or possession thereof, or that may become a lien upon the premises. However, Kaw and Jayhawker shall not be required to pay any such tax, assessment, charge, or lien if they contest in good faith and at their expense the amount or the validity thereof by appropriate proceedings which shall operate to prevent the collection thereof or the sale or forfeiture of the premises or any part thereof to satisfy the same, and if they give to American National reasonable security satisfactory to American National to insure the payment thereof and to prevent any such sale or forfeiture. Any such contest shall be prosecuted with diligence and Kaw and Jayhawker will pay or cause to be paid, and save American National harmless against, all judgments and expenses and will promptly pay the amounts which shall be finally determined to be payable by them together with all penalties, interests, costs, and expenses resulting from such contest. Kaw and Jayhawker will, with reasonable promptness after written request therefor, furnish American National with proof of payment of any of the foregoing taxes, assessments, charges, liens, judgments, costs and expenses.

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5. That they will not consolidate or merge with any other corporation or permit any other corporation to merge into them, and they will not sell or convey the premises or any part thereof to any person or corporation without prior written consent of American National. However, the conveyance of a portion of or the granting of an easement in the premises to a municipal corporation, governmental agency, or public utility corporation having the power of eminent domain in lieu of the taking of such portion of or easement in the premises by condemnation shall not be considered a violation of this covenant.

6. That they will immediately notify American National of the institution of any proceeding for the condemnation of the premises or any portion thereof or easement therein of which they obtain knowledge. Any award, damages, or compensation payable to Kaw or Jayhawker for the taking of any portion of or easement in the premises by condemnation, including any amount paid upon a conveyance or grant made in lieu of such taking, shall be paid and is hereby assigned to American National, and shall be applied by it to the interest and principal of the debt secured by this mortgage.