and without demand (both of which are expressly waived by Mortgagor). The proceeds of any such sale shall be applied: first, toward payment of the direct and indirect costs and expenses of exercising any of Mortgagee's rights, including attorney's fees and commissions for making sale of said property, and all amounts paid in taking possession of, storing, shipping, repairing and insuring such chattels or in discharging liens thereon; and second, toward payment of the unpaid interest upon said note; and third, toward payment of the unpaid principal thereon, whether then due and payable or not. The surplus, if any, shall be paid to Mortgagor, and Mortgagor shall remain liable for the deficiency, if any. No persons purchasing any of said chattels shall be obligated to examine into the regularity of any such sale, or to the application of the purchase money, but such sale or sales shall at all times be fully binding upon Mortgagor, both in law and equity. The provisions of this subparagraph (b) shall apply to the full extent permitted by law.

(c) If any of said chattels shall be sold at public auction, then the Mortgagee may become the purchaser thereof, and all sums payable hereunder or on said note may be applied against payment of such purchase price.

4. No waiver or failure to enforce any particular provision of this mortgage nor any extension of time or acceptance of a partial payment of any installment or amount due hereunder before or after delinquency shall operate to extend the time of payment or diminish the amount payable or the amount of any other installment or operate to waive the strict performance of this mortgage. The Mortgagee shall have the right to enforce one or more remedies hereunder successively or concurrently and such action shall not prevent the Mortgagee from pursuing any further remedy which it may have by agreement or by law or at equity. No repossession, foreclosure of sale hereunder shall release the Mortgagor until full payment has been made of all amounts due hereunder.

5. This mortgage and any note secured hereby may be negotiated or assigned to third parties and shall be in all respects free and negotiable, and this covenant is made for the benefit of subsequent owners or assignees of this mortgage as well as for the Mortgagee named herein.

6. Mortgagor shall not sell, transfer, assign, mortgage or encumber, or in any other manner dispose of said chattels or any part thereof, or move any of such chattels to any location other than the one set forth above, or attempt to do any of the foregoing without the written permission of the Mortgagee.

7. The Mortgagor shall keep all chattels subject to this mortgage appropriately insured and shall keep the holder of such note fully informed in this regard. The latter may from time to time prescribe the appropriate amounts of such insurance, the insurers with whom it shall be carried and the hazards which it shall cover. The Mortgagor shall also at all times keep all of such chattels in thorough good order,