----------------------------**DEED NUMBER \_\_\_\_ (\_\_\_)**

-----------------**DEED OF CONSTITUTION OF MORTGAGE**

---------------------------------(Fixed Rate Loan)-----------------------------------

---In the \_\_\_\_\_\_\_\_\_, Commonwealth of Puerto Rico, this [--] (\_\_\_) day of \_\_\_\_\_\_\_\_\_\_\_\_, two thousand \_\_\_\_\_\_\_\_\_\_ (\_\_\_\_\_).

-----------------------------------BEFORE ME

---------------------------\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **[ADD notary name]**

---Attorney-at-Law and Notary Public in and for the Commonwealth of Puerto Rico, with offices at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Puerto Rico and residence in \_\_\_\_\_\_\_\_\_\_, Puerto Rico.

--------------------------------------APPEARS

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, a \_\_\_\_\_\_\_\_\_ organized and existing pursuant to the laws of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ [and duly authorized to engage in business in the Commonwealth of Puerto Rico] (hereinafter referred to as “**Mortgagor**”), represented herein by its **[ADD title]**, **[ADD full name]**, of legal age, **[ADD MARRIED OR SINGLE, AS APPLICABLE]**, business executive and resident of **[ADD city and state]** who is duly authorized to appear herein as appears from the Certificate issued by the **[Secretary]** of the Mortgagor dated **[ADD month and day]**, two thousand **[ADD year]** (20\_\_), executed before Notary Public **[ADD notary name]**, affidavit number \_\_\_\_\_\_\_\_\_\_\_\_ (\_\_\_\_\_\_\_). Pursuant to Article Ten (10) of the Registry of Property of the Commonwealth of Puerto Rico Act, Act Number Two Hundred Ten (210) of December eight (8), two thousand fifteen (2015) (the “**Registry Act**”), I, the Notary, certify that the Certificate which attests to the representative capacity of the appearing party complies with the applicable requirements under Puerto Rico Law. - --- I, the Notary, hereby certify that I personally know the appearing party and from his statements I also attest as to his age, civil status, occupation and residence. The appearing party assures me that he has and in my judgment he does have the legal capacity necessary for this act, and for that purpose the appearing party freely and voluntarily

------------------------------------STATES

---**FIRST: The Mortgaged Property**. The Mortgagor is the owner, with valid, good and marketable fee simple title (“pleno dominio”) of the parcel of land described in the Registry of the Property as follows (herein referred to as the “**Property**”):

**[NOTE TO DRAFTER: ADD PROPERTY DESCRIPTION AS RECORDED IN THE REGISTRY OF PROPERTY.]**

---This parcel is recorded at **[NOTE TO DRAFTER: ADD REGISTRY DATA]**

**---**Liens and Encumbrances. The Property is subject to the following liens and encumbrances:

**-----Title:** Mortgagor acquired the Property pursuant to Deed Number \_\_\_ of \_\_\_\_\_\_\_\_\_\_ (\_\_\_\_), two thousand \_\_\_\_\_\_\_\_\_\_ (20\_\_) before notary public \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, recorded **[or pending recordation]** at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**---Property Tax Identification Number**. The Property has been assigned by the *Centro de Recaudación de Ingresos Municipales* Property Tax Identification Number (“**Número de Catastro**”) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

---**SECOND: The Mortgage Note**. Simultaneously herewith Mortgagor has subscribed before me a mortgage note (hereinafter called the “**Mortgage Note**”), which is literally copied as follows:

-------------------------------“MORTGAGE NOTE -------------------

(Puerto Rico- Fixed Rate)

-----VALUE: $\_\_\_\_\_\_\_\_\_\_\_\_\_

-----DUE DATE: On Demand

**[DRAFTING NOTE: THIS LANGUAGE MUST MATCH THE PUERTO RICO MORTGAGE NOTE (6010.PR) BEING EXECUTED FOR THIS TRANSACTION. DISCUSS WITH PR COUNSEL. THIS NOTE WILL BE PAYABLE ON DEMAND AND SHOULD NOT HAVE REPAYMENT INSTALLMENTS. THE PROMISSORY NOTE THAT WILL ALSO BE EXECUTED (FORM 6010) REFERS TO THE LOAN AGREEMENT WHICH WILL HAVE THE NOTE PAYMENT DETAILS.]**

---- FOR VALUE RECEIVED, the undersigned promises to pay to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or to its order, on demand, or to any other person that in the future has a right to demand payment of this Mortgage Note (the “**Payee**”), the principal sum of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DOLLARS ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**) with interest thereon at the rate of eighteen percent (18%) per annum from the date of this Mortgage Note until full payment thereof. Payments of principal and interest shall be made on demand at such place as the Payee may from time to time designate in writing.

---An additional late charge will be applied to any late payment equal to five percent (5%) of the amount due.

---This Mortgage Note is secured by a mortgage constituted as appears from Deed Number \_\_\_\_\_\_\_\_\_\_ ( ), (the “**Deed of Constitution of Mortgage**”), executed on the date hereof before the undersigned Notary, and the Payee of this Mortgage Note is entitled to the benefit and security of all of the provisions and conditions set forth in said Deed of Constitution of Mortgage.

Except may be otherwise agreed between the undersigned and the Payee, and except for any obligation for which the undersigned has assumed personal liability in writing in the Deed of Constitution of Mortgage, the undersigned shall not be personally liable, and the holder of this Mortgage Note shall not seek, obtain, or enforce a deficiency judgment against the undersigned and the obligations hereunder shall only be effective against the property which is secured by the Deed of Constitution of Mortgage.

The undersigned hereby submits to the venue selected by the Payee within the Commonwealth of Puerto Rico in case of legal action brought against the undersigned for the collection of this Mortgage Note.

The undersigned hereby waives presentment, protest, demand and notice of non-payment.

In the City of \_\_\_\_\_\_\_\_\_\_, Puerto Rico, this \_\_\_ day of \_\_\_\_\_\_\_, 20\_\_..

**[NAME]**

----------- By: s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

-----------Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

-----------Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Affidavit Number: \_\_\_\_\_\_

--- Acknowledged and subscribed before me by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, of legal age, \_\_\_\_\_\_\_\_\_\_\_, business executive and resident of \_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_, as \_\_\_\_\_\_\_\_ of \_\_\_\_\_\_\_\_\_, personally known to me [or identified by means of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]. In \_\_\_\_\_\_\_\_\_\_, Puerto Rico, this \_\_\_ day of \_\_\_\_\_\_\_\_\_.--

-(Signed) [ADD NOTARY NAME] -----

Notary Public --------

[There Appears the Notarial Seal]”

---**THIRD: Creation of Mortgage; Mortgaged Property**. In order to guarantee and secure:

-----(i) the full and complete payment of the Indebtedness (as defined in paragraph FOURTEENTH);

-----(ii) the performance and observance of the terms and conditions contained herein and in the Mortgage Note;

 ---(iii) an additional credit in amount equal to five (5) years of interest on the principal amount of the Mortgage Note to secure interest to the full extent permitted by law against third parties;

---(iv) an additional credit in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_) **[Note: insert amount equal to 10% of the principal on the Mortgage Note]** to cover any amounts that may be paid or advanced by the Mortgagee pursuant to paragraph TENTH hereof, together with interest thereon; and

---(v) an additional credit in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_) **[Note: insert amount equal to 10% of the principal on the Mortgage Note]** as a liquidated and agreed amount payable without necessity for further liquidation or approval by any court, to cover the Mortgagee’s costs and expenses (including attorneys' fees) in the event that the Mortgagee shall have recourse to the courts (including bankruptcy court) in order to collect the obligations secured by this Mortgage or any part thereof (by foreclosure or other proceedings or actions).

----Mortgagor hereby **grants, constitutes** and **creates** a voluntary mortgage (the “**Mortgage**”) and security interest in favor of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or its order, or any present or future holder of the Mortgage Note by endorsement, or any other person that in the future has a right to demand payment of the Mortgage Note including, in the event the Mortgage Note is delivered or assigned to secure the Mortga­gor's obligations under a security agreement or a pledge agreement, the secured party or pledgee thereunder (the “**Mortgagee**”) on the Property described in Paragraph FIRST hereof (the “**Land**”) and the following additional property (hereinafter, together with the Land, collectively called the “**Mortgaged Property**”):

------- (a) the Land and all of the buildings, structures, additions, fixtures, improvements, appurtenances and facilities now or hereafter located thereon or hereafter erected or placed on the Property and all materials intended for the construction, reconstruction, alteration and repair of such buildings or improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Mortgaged Property immediately upon the delivery thereof to the Mortgaged Property; -------(b) all of the rights, title and interest of the Mortgagor, in and to, all and singular, the tenements, hereditaments, rights of way, easements, appendages and appurtenances, licenses, passages, waters, water rights, riparian rights, and other rights, liberties and privileges thereof or in any way or hereafter appertaining, including any other claim at law or in equity, as well as any after acquired title, franchise or license and the reversion and reversions and remainder and remainders thereof and any other real property belonging or appertaining to the Mortgaged Property;

-------(c) all renewals and replacements of, substitutions for and additions to the property described in subparagraphs (a) and (b) above, and all other property, real, personal or mixed, now owned or hereafter acquired by Mortgagor and enjoyed in common with or in any way appertaining to such property as well as all real properties which may be consolidated or grouped with the Mortgaged Property;

-------(d) all chattels that may be removed without breaking the material or deteriorating the object and that are presently or hereafter permanently placed on the Mortgaged Property, either for its decoration, comfort or development, or for commercial, office or industrial use;

-------(e) all machinery, goods, tools, supplies, appliances, inventory and articles of personal property and accessions thereof and renewals and replacements thereof and substitutions therefore, if any, general intangibles, contract rights, accounts, accounts receivable, franchises, and other property of every kind and nature, whether tangible or intangible, whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Mortgaged Property or any part thereof, or appurtenant thereto, and used in connection with the present or future operation of the Mortgaged Property and all manufacturing equipment, materials and supplies of any nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest (to the extent of such interest), now or hereafter located upon the Mortgaged Property, or appurtenant thereto, or usable in connection with the present or future operation of the Mortgaged Property, including any leases of any of the foregoing and any deposits existing at any time in connection with any of the foregoing;

-------(f) all proceeds of and any unearned premiums on any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property or any part thereof;

-------(g) all awards, compensations and payments in respect of any taking by condemnation or eminent domain of any of the foregoing; and

-------(h) all proceeds, products, offspring, rents, earnings, revenues, issue and profits from any of the foregoing, including, without limitation, those from exchange, transfer, collection, loss, damage, disposition, substitution or replacement of any of the foregoing.

---**FOURTH: Limited Recourse**. Except as hereinafter provided in this paragraph, Mortgagor shall not be personally liable, and Mortgagee shall not seek, obtain, or enforce, a deficiency judgment against the undersigned and the secured obligations shall only be effective against the Mortgaged Property.

----***PROVIDED, HOWEVER***, Mortgagor recognizes and accepts that, in the event the Mortgage Note is delivered or assigned to secure the Mortga­gor's obligations under a security agreement or a pledge agreement, such agreement, the related loan agreement and all other agreements and instruments executed in connection therewith (collectively the “**Loan Documents**”) may contain certain exceptions to the above in which case Mortgagee shall have the right to seek personal enforcement against the Mortgagor in such limited circumstances notwithstanding the provisions of Article Fifty Eight (58) of the Registry Act.

---**FIFTH: Condemnation**. Subject to the terms of the Loan Documents, in the event of a taking of all or any part of the Mortgaged Property as a result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, or a change of grade adversely affecting the Mortgaged Property, Mortgagee shall be entitled to receive, to be applied as described below, all awards and payments on account of such taking not to exceed in the aggregate the amounts covered by this Mortgage. Mortgagor will pay all costs and expenses (including, without limitation, reasonable attorneys’ fees and expenses) of Mortgagee in connection with any such taking and seeking and obtaining any award or payment in respect thereof. All awards and payments collected by Mortgagee after the payment of costs and expenses (including, without limitation, reasonable attorneys’ fees and expenses) incurred in the seeking and obtaining such awards and payments shall be applied by Mortgagee to the payment of the Mortgage Note.

---**SIXTH: Insurance**. Subject to the terms of the Loan Documents, as provided in Article Sixty One (61) of the Registry Act, this Mortgage shall be extensive to, and shall cover, all indemnities to which the Mortgagor may be entitled under any policy of insurance covering the Mortgaged Property or any part thereof, and Mortgagee shall be entitled to receive directly from the underwriters or insurers all payments which become due under any such policy(ies) of insurance. Such payments, after deducting therefrom all costs and expenses (including, but without limitation, reasonable attorneys’ fees and expenses) incurred in the collection thereof, shall be applied on account of the payment of the Mortgage Note.

---**SEVENTH: Further Assurances; Additional Security**. Mortgagor, at its expense, will execute, acknowledge, deliver and record all such instruments and take all such actions as Mortgagee from time to time may reasonably request for better assuring to Mortgagee the properties and rights hereby mortgaged and assigned or intended so to be. Without notice to or consent of Mortgagor, and without impairment of the lien of and rights under this Mortgage, Mortgagee may take (but Mortgagor shall not be obligated to furnish) from Mortgagor or from any other person or persons additional security for the Mortgage Note or for the obligations secured by this Mortgage; and neither the constitution of this Mortgage nor the acceptance of any such additional security shall prevent Mortgagee from resorting first to such additional security, or to the security created by this Mortgage, in either case without affecting Mortgagee’s lien and rights under this Mortgage.

---**EIGHTH: Default; Foreclosure**. Upon the ocurrence of any of the following events (each of which shall be considered a default under this Mortgage): (i) the Mortgagor shall fail to pay any principal of or accrued interest on the Mortgage Note, or (ii) there shall be any breach of any other condition or covenant under this Mortgage, including, without limitation, all obligations under paragraph ELEVENTH hereof, or (iii) if the Mortgage Note shall have been pledged or otherwise encumbered in favor of Mortgagee, an Event of Default (as such term is defined in the Loan Documents) shall have occurred and be continuing, then at any time thereafter Mortgagee may, at its election, and without limitation of other rights available to Mortgagee under applicable law, whether existing at law, in equity, by statute, or otherwise:

-----(i) proceed to enforce the payment of the Mortgage Note and/or to foreclose the lien of this Mortgage as against all or any part of the Mortgaged Property (by summary proceedings or otherwise) and to have the same sold under the judgment or decree of a court of competent jurisdiction. If the Mortgage Note shall have been pledged or otherwise encumbered in favor of Mortgagee, Mortagee may proceed to foreclose the lien of the Mortagage without first foreclosing the pledge, security interest or other lien so constituted upon the Mortgage Note, to the same extent and with the same force and effect as if the Mortgage Note had been assigned or transferred directly to Mortgagee rather than assigned or pledged as collateral security; and

-----(ii) to the extent permitted by law, enter upon and take possession of the Mortgaged Property or any part thereof, by force, summary proceedings, ejectment or otherwise, remove Mortgagor and all other persons and any and all properties therefrom, hold, operate and manage the same and receive all earnings, income, rents, issue and proceeds accruing with respect thereto or any part thereof. In connection with any of the foregoing, Mortgagee shall as a matter of right and without regard to the solvency of the Mortgagor or the adequacy of the security for the indebtedness from Mortgagor to Mortgagee, be entitled to the appointment of a receiver for all or any part of the Mortgaged Property, whether such receivership be incidental to a proposed sale of the Mortgaged Property or otherwise, and Mortgagor hereby consents to the appointment of such a receiver and agrees that it will not oppose any such appointment. Said receiver shall have the broadest powers and faculties usually granted to a receiver by the court and his/her appointment shall be made by the court as a matter of absolute right granted to the Mortgagee.

---**NINTH: Foreclosure Valuation**. In compliance with Article Eighty (80) of the Registry Act, Mortgagor hereby declares and agrees that the value of the Mortgaged Property for foreclosure purposes is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_). **[NOTE TO DRAFTER: THE AMOUNT TO BE INCLUDED HERE IS THE PRINCIPAL AMOUNT OF THE MORTGAGE.]**

---**TENTH: Impositions and other additional charges.** If the Mortgagor should fail to make punctual payment of all Impositions (as defined in paragraph FOURTEENTH), or should fail to maintain insurance coverage on the Mortgaged Propertyas required from time to time by the Mortgagee, or should fail to discharge any lien, encumbrance or charge upon the Mortgaged Property or any part thereof which is prohibited by the terms of this Mortgage or the Loan Documents, or should fail to maintain the Mortgaged Property in good condition, or should fail to comply with any other term of this Mortgage or of the Loan Documents, then the Mortgagee, without consent of or demand upon the Mortgagor and without waiving or releasing any obligation or default, may (but shall be under no obligation to) advance such funds as may, in Mortgagee's judgment, be needed for the purpose of complying with such terms and the Mortgagee may, in such event, take such other and further action in the premises as it may consider necessary or appropriate for such purposes. All sums so advanced or paid by the Mortgagee and all costs and expenses (including reasonable attorneys' fees and expenses) so incurred, together with interest thereon at the rate set forth in any documents evidencing obligations secured by this Mortgage, and should such documents not provide for such interest, then at the rate set forth in the Mortgage Note (or if lower, at the highest applicable lawful rate) from the date of payment or incurring, shall constitute additional Indebtedness (as defined in paragraph FOURTEENTH) secured by this Mortgage and shall be paid by the Mortgagor to the Mortgagee on demand.

---**ELEVENTH: Other Terms and Conditions**. The following terms and conditions are made a part of this Mortgage and shall apply to and be binding upon the successors and assigns of Mortgagor and all persons claiming under or through Mortgagor or any such successors or assigns, and shall inure to the benefit of Mortgagee. Additionally, if any of the terms and conditions contained in this paragraph shall be inconsistent or contrary to any other terms and conditions contained in this deed, the terms and conditions of this paragraph shall prevail.

-----(a) Representations and Warranties. In addition to all other representations made by the Mortgagor to the Mortgagee, subject to the terms of the Loan Documents, the Mortgagor hereby represents and warrants to the Mortgagee as follows:

-------(i) No Leases. There are presently in effect no leases of the Mortgaged Property or any part thereof other than those which have been

disclosed in writing to the Mortgagee.

-------(ii) Execution, Delivery and Enforceability. Mortgagor is duly authorized to make and enter into this Mortgage and to carry out the transactions contemplated by this Mortgage and the Mortgage Note. This Mortgage and the Mortgage Note have been duly executed and delivered by Mortgagor and are the legal, valid and binding obligations of Mortgagor, enforceable in accordance with their respective terms, subject only to the effect of any applicable bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or transfer, or other similar laws affecting creditors’ rights generally and the discretionary nature of specific performance and other equitable remedies.

-------(iii) Compliance with Law. Except as otherwise disclosed in writing by Mortgagor to Mortgagee and to the best knowledge of Mortgagor (after due diligence), the Mortgaged Property is in compliance in all material respects with all applicable laws and governmental regulations, including but not limited to those governing zoning, land use, subdivision control, health, safety, fire protection, and protection of the environment.

-------(iv) No Conflicts. The execution and delivery of this Mortgage does not, and the performance and observance of the terms hereof will not, contravene in any material respect any provision of existing law or governmental regulations, and will not conflict with or result in any breach of any material terms, conditions or provisions of, or constitute a default under or result in or permit the creation or imposition of any charge or encumbrance upon any of the properties of Mortgagor pursuant to any indenture, mortgage or other agreement or instrument to which Mortgagor is a party or by which its properties are bound.

-------(v) Governmental Approvals. No approval, authorization or other action by, or filing with, any federal, state, or local commission, board or agency, is required under existing law in connection with the execution and delivery by Mortgagor of this Mortgage, except for the filing of a certified copy of this deed in the appropriate Section of the Registry of Property of Puerto Rico.

-------(vi) Title. Mortgagor is the owner of the Mortgaged Property in fee simple (“pleno dominio”) and to all rights and titles appertaining thereto.

-------(vii) Liens and Encumbrances. Except as may be otherwise stated in paragraph ONE of this deed, the Mortgaged Property is free and clear of all liens and encumbrances whatsoever on a parity with or superior to the lien of this Mortgage.

-------(viii) Impositions. All Impositions required to have been paid on the Mortgaged Property on or prior to the date of this deed have been paid, except to the extent that the validity thereof is being contested in good faith by proper proceedings and with respect to which adequate reserves have been made and set aside for the payment thereof.

-----(b) Certain Covenants and Conditions. Subject to the terms of the Loan Documents, Mortgagor covenants and agrees as follows:

-------(i) Maintenance of Mortgaged Property: Alterations. Mortgagor shall keep and maintain the Mortgaged Property in good repair and condition (ordinary wear and tear excepted), shall make all such necessary and proper repairs, replacements, additions and improvements thereto as shall be reasonably necessary for the proper conduct of its business thereon, and shall not permit or commit waste on the Mortgaged Property. Mortgagor shall make or cause to be made, as and when the same shall become reasonably necessary, all structural and non-structural, exterior and interior, ordinary and extraordinary, repairs, renewals and replacements reasonably necessary to that end. Mortgagor shall not permit removal or alteration, except in the ordinary course of business and except as otherwise permitted in writing by Mortgagee, of anything which constitutes a part of the Mortgaged Property without the prior written consent of the Mortgagee. Mortgagor shall permit the Mortgagee to enter the Mortgaged Property, at any reasonable time, to determine whether Mortgagor is in compliance with its obligations under this Mortgage. All construction on the Mortgaged Property shall comply with, and each and every part of the Mortgaged Property shall be maintained and used in accordance with, all applicable federal, state, commonwealth and local laws and governmental regulations, and any lawful private restrictions or other requirements or provisions, relating to the maintenance or use thereof.

---Notwithstanding the above, the Mortgagor shall have the right, at any time and from time to time, to remove and dispose of machinery and equipment on, or forming a part of, the Mortgaged Property that may have become obsolete or unfit for use or that is no longer useful in the operation of the building(s) now or hereafter constituting a portion of the Mortgaged Property or in the business conducted thereupon. The Mortgagor agrees promptly to replace with other machinery and equipment, free of superior title, liens or claims, except as otherwise permitted, agreed or consented by Mortgagee in writing, substantially of the same character and of equal usefulness and quality of such machinery and equipment so removed or disposed of; except that, if by reason of technological or other developments in the operation and maintenance of property of the general character of the machinery and equipment so removed, no replacement of the property so removed or disposed of is necessary or desirable in the proper operation or maintenance of the Mortgaged Property or the business conducted thereupon, the Mortgagor shall not be required to replace the same.

-----In connection with the preservation, restoration and maintenance of the Mortgaged Property, Mortgagor shall fully comply with the covenants and undertakings contained in the Loan Documents, and in the event of any inconsistency between the terms of any Loan Document and the terms and conditions contained herein, the terms and conditions of such Loan Document shall control to the fullest extent permitted by law, and only to the extent not permitted or allowed by applicable law, then the terms of this Mortgage will prevail.---------------------

-------(ii) Notice of Condemnation. Mortgagor, immediately upon obtaining knowledge of the institution of any proceeding for the condemnation or requisition of the Mortgaged Property or any portion thereof, shall notify the Mortgagee of the pendency of such proceeding. Subject to the terms of the Loan Documents, the Mortgagee may participate in such proceeding, and the Mortgagor from time to time shall deliver to the Mortgagee all instruments requested by the Mortgagee to permit such participation.

-------(iii) Prior Mortgages. Nothing contained in this deed is intended, nor shall it be deemed to constitute, consent by the Mortgagee to a subordination of the lien of this Mortgage to any other mortgage or lien.

-------(iv) Expenses. Mortgagor shall pay when due all fees and charges (including reasonable attorneys’ fees) incurred by the Mortgagee incident to the transactions evidenced by the obligations (including, without limitation, the Mortgage Note) secured by this Mortgage, the assurance of the security represented by this Mortgage, and incident to the enforcement of said obligations and this Mortgage, and such fees and charges shall be secured by the lien of this Mortgage to the fullest extent permitted by applicable law.

-------(v) Priority of Lien; After-Acquired Mortgaged Property. This Mortgage is and will be maintained as a valid mortgage lien on the Mortgaged Property subject only to the liens and encumbrances that have been otherwise permitted in writing by the Mortgagee. All property of every kind acquired by the Mortgagor after the date hereof which, by the terms hereof, is required or intended to be subjected to the lien of this Mortgage shall, immediately upon the acquisition thereof by the Mortgagor, and without any further mortgage, conveyance, assignment or transfer, become subject to the lien of this Mortgage. The Mortgagor will do, execute, acknowledge and deliver all and every such further acts, conveyances, mortgages, and assurances as the Mortgagee shall reasonably require for accomplishing the purposes of this Mortgage.

-------(vi) Recovery Proceedings. If any action or proceeding shall be instituted to recover possession of the Mortgaged Property or for the foreclosure of any other mortgage or for any other purpose affecting the Mortgaged Property or this Mortgage, the Mortgagor will immediately, upon service thereof on or by the Mortgagor, deliver to the Mortgagee a true copy of each petition, summons, complaint, notice of motion, order to show cause, and all other process, pleadings and papers, however designated, served in any such action or proceeding.

-----(vii) Waiver and Modification; Fees and Expenses in Event of Redemption or Foreclosure. Whether or not for additional interest or other consideration paid or payable to the Mortgagee, no forbearance on the part of the Mortgagee or extension of the time for the payment of the whole or any part of the obligations secured hereby, whether oral or in writing, or any other indulgence given by the Mortgagee to Mortgagor or to any other party claiming any interest in or to the Mortgaged Property, shall operate to release or in any manner affect the original liability of Mortgagor, or the priority of this Mortgage or to limit, prejudice or impair any right of the Mortgagee, including, without limitation, the right to realize upon the security, or any part thereof, for the obligations secured hereby or any of them, notice of any such extension, forbearance or indulgence being hereby waived by Mortgagor and all those claiming by, through or under Mortgagor. No consent or waiver, express or implied, by the Mortgagee to or of any default by Mortgagor shall be construed as a consent or waiver to or of any further default in the same or any other term, condition, covenant or provision of this Mortgage or of the obligations secured hereby. In case pursuant to the laws of the Commonwealth of Puerto Rico redemption is had by Mortgagor after foreclosure proceedings have begun, the Mortgagee shall be entitled to collect all reasonable costs, charges and expenses incurred up to the time of redemption.

-------(viii) Successors and Assigns; Joint and Several Liability; Partial Invalidity. All the covenants and agreements of Mortgagor herein contained shall be binding upon Mortgagor and, if applicable, the heirs, executors, administrators, successors and assigns of Mortgagor; and, where more than one person constitutes Mortgagor, the liability of such persons under this Mortgage for the obligations set forth herein shall be joint and several (“solidaria”). In case any one or more of the provisions of this Mortgage may be found to be invalid, or unenforceable for any reason or in any respect, such invalidity or unenforceability shall not limit or impair enforcement of any other provision thereof.

---All benefits and agreements of Mortgagee herein contained shall be binding upon Mortgagee, its successors, assigns and future holders of the Mortgage Note.

-------(ix) Modification. No change, amendment, modification, cancellation or discharge of this Mortgage, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns, and notice of which shall be endorsed on the Mortgage Note.

-------(x) Impositions. Subject to the terms of the Loan Documents, Mortgagor shall promptly pay as they become due all Impositions on the Mortgaged Property, except to the extent that the validity thereof is being contested in good faith by proper proceedings and with respect to which adequate reserves have been made and set aside for the payment thereof.

--- **TWELFTH: Conflict; Construction of Documents.** In the event of any conflict between the provisions of this Mortgage and any agreement between the Mortgagor and the Mortgagee or any other document under which the Mortgage Note may be assigned, pledged or otherwise encumbered as collateral security for the payment of any obligation of the Mortgagor or of any other person, the provision of such agreement or document shall control, and only to the extent not permitted or allowed by applicable law, then the terms of this Mortgage will prevail.

---**THIRTEENTH: Expenses**. All costs and expenses of this deed of mortgage, of a certified copy or copies thereof, and of the registration of this instrument in the proper public registry, and all expenses of such additional documentation as may hereafter be required and all expenses of all documents of cancellation, including the cost of registration thereof, shall be for the account of Mortgagor.

-- **FOURTEENTH**: **Definitions**: As used in this Mortgage, the following terms are defined as follows:

---(a) “**Impositions**” means (a) any water and sewer charges which, if not paid, may result in a lien on all or any part of the Mortgaged Property; (b) the premiums for fire and other casualty insurance, liability insurance, rent loss insurance and such other insurance as Mortgagee may require under the Loan Agreement; (c) taxes; and, (d) amounts for other charges and expenses assessed against the Mortgaged Property which Mortgagee at any time reasonably deems necessary to protect the Mortgaged Property, to prevent the imposition of liens on the Mortgaged Property, or otherwise to protect Mortgagee’s interests, all as reasonably determined from time to time by Mortgagee.

---(b) “**Indebtedness**” shall mean (i) the principal of, interest on, and all other amounts due at any time under the Mortgage Note and the Loan Documents, including prepayment premiums, late charges, and interest charged at the default rate; (ii) the Impositions; (iii) the credits referenced in Paragraph THIRD of this deed; and (iv) any and all payments which Mortgagor is or may be obliged to make under this Mortgage and the Loan Documents, including amounts due as a result of any indemnification obligations.

---**FIFTEENTH: Fixture Filing**. This Deed of Constitution of Mortgage also constitutes a security agreement and a financing statement under Section 9-502(c) of the Puerto Rico Commercial Transactions Act with respect to any part of the Property that is or may become a fixture (as defined in the Puerto Rico Commercial Transactions Act). Mortgagor hereby authorizes Mortgagee to file financing statements, continuation statements and financing statement amendments in such form as Mortgagee may require to perfect, or to continue the perfection of, this security interest over fixtures without the signature of Mortgagee.

----------------------**ACCEPTANCE AND WARNINGS**

---The appearing party to this deed accepts the same as drafted because it has been drawn up in accordance with his stipulations, terms and conditions. I, the Notary, do hereby certify that the appearing party can read and understand the English language and that I, the Notary, made to the appearing party the necessary legal warnings concerning the execution of this deed and he was fully advised by me thereon. Specifically, and without limitation, I advised the appearing party of the following:

-----(a) That any liens or encumbrances affecting title to the Mortgaged Property that may be filed for recordation prior to the filing of this deed may be legally binding and could take precedence over this Mortgage.

-----(b) That this deed was prepared in accordance with a title abstract dated [---------------] that was prepared by [-------------], an entity engaged in such business, and not by the undersigned Notary, and Mortgagee is relying on such abstract.

-----(c) That a certified copy of this deed must be filed and recorded in the appropriate Section of the Registry of the Property of Puerto Rico.

-----(d) That there may exist and be pending unrecorded statutory liens and real property taxes (including the statutory legal mortgage in favor of the Commonwealth of Puerto Rico).

 **[DRAFTING NOTE: OTHER APPLICABLE WARNINGS MAY BE ADDED BY THE NOTARY (LOCAL CLOSING ATTORNEY)]**

----------------------------------EXECUTION

---The appearing party waived the right which I advised him he had to have witnesses to the execution of this deed but, upon my advice, made use of his right to read the same, and finding it drafted to his entire satisfaction, having been advised by me, the Notary, of the pertinent legal warnings and reservations, proceeded to sign before me, and to affix his initials on each page of this deed. To all of which, as well as to everything contained or related in this deed, I, the Notary, CERTIFY, ATTEST AND GIVE FAITH.