

any person, firm, or corporation arising from the conduct or management of, or from any work or thing done on the Project during the Lease Term, and Lessee further shall indemnify and save the County and the Mortgagee harmless against and from all claims arising during the Lease Term from (i) any condition of the Project, (ii) any breach or default on the part of Lessee in the performance of any of its obligations under this Lease, (iii) any act of negligence of Lessee or of any of its agents, contractors, servants, employees, or licensees, or (iv) any act of negligence of any assignee or sublessee of Lessee, or of any agents, contractors, servants, employees, or licensees of any assignee or sublessee of Lessee. Lessee shall indemnify and save the County and the Mortgagee harmless from and against all costs and expenses incurred in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County or the Mortgagee, Lessee shall defend them or either of them in any such action or proceeding.

(b) Notwithstanding the fact that it is the intention of the parties that the County shall not incur pecuniary liability by reason of the terms of this Lease, or the undertakings required of the County hereunder, by reason of the issuance of the Note, by reason of the execution of the Mortgage, by reason of the performance of any act requested of it by the Lessee, or by reason of the County's ownership of the Project or the operation of the Project by the Lessee, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if the County should incur any pecuniary liability, then in such event the Lessee shall indemnify and hold the County harmless against all

2670

4328 RV-2