

Bank. Also, it is agreed that nothing in this subsection (F) shall diminish the Company's obligation to repair or rebuild as provided in Section 8 hereof. The Company shall have the sole right and responsibility to adjust any loss with the insurer involved and to conduct any negotiations in connection therewith, provided that so long as any amount remains outstanding and unpaid on the Note, no settlement of any claim shall be effected without the written consent of the Bank.

(G) All insurance policies under this Section 5 shall include effective waivers by the insurer of all claims for insurance premiums against the Bank and shall provide that any losses shall be payable notwithstanding:

- (1) Any act of negligence of the Company or the Bank;
- (2) Any foreclosure or other proceedings or notice of sale relating to the Mortgaged Property; or
- (3) Any change in the title to or ownership of the Mortgaged Property.

SECTION 6. Application of Net Proceeds of Insurance.

The Net Proceeds of casualty insurance relating to the Project carried pursuant to the provisions of Section 5 hereof shall be paid and applied as provided in Section 8 hereof, and the Net Proceeds of liability insurance carried pursuant to the provisions of Section 5 hereof shall be applied toward extinguishment or satisfaction of the

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