

upon receipt of: (i) a copy of the instrument of grant or release, (ii) a written application signed by a proper officer of the Lessee requesting such instrument, and (iii) a certificate executed by a proper officer of the Lessee stating (1) that such grant or release is not detrimental to the purpose for which the Project is to serve under the requirements of the Act, and (2) that such grant or release will not impair the effective use or interfere with the operation of the Project and will not weaken, diminish or impair the security intended to be given by or under the Assignment of Lease Agreement. No grant or release effected under the provisions of this Section shall entitle the Lessor to any abatement or diminution of the rents payable under Section 5.3 hereof.

Section 3.7. Indemnification Covenants.

(a) Lessee shall and agrees to indemnify and save the County and the Assignee harmless against and from all claims by or on behalf of 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 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 the Lessee in the performance of any of its obligations under this Agreement, (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. Neither the County nor the Assignee shall settle, compromise, or otherwise obtain the disposition of any such claim or action without the prior written approval of the Lessee. Lessee shall indemnify and save the County and the Assignee harmless from any and all costs and expenses incurred in or 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 Assignee, Lessee shall defend them or either of them in any such action or proceeding.

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