

(d) Insurance (or authorization by the appropriate officials of the State of South Carolina to self insure) covering any liability under the Workmen's Compensation laws of South Carolina for deaths of or injuries to persons arising out of any act or omission during the Lease Term.

**SECTION 6.5** Application of Net Proceeds of Insurance. The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.4 hereof shall be applied as follows: (i) the Net Proceeds of the insurance required in Section 6.4(a) and (b) hereof shall be applied as provided in Section 7.1 hereof, and (ii) the Net Proceeds of the insurance required in Section 6.4(c) and (d) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance is carried.

**SECTION 6.6** Additional Provisions Respecting Insurance. All insurance required in Section 6.4 hereof shall be taken out and maintained in generally recognized responsible insurance companies selected by the Lessee. All policies evidencing such insurance shall provide for payment of the losses to the County, the Lessee, and the Mortgagee, as their respective interests may appear, and the policies required by Section 6.4(a) and (b) shall contain standard mortgagee clauses requiring that all Net Proceeds of insurance resulting from any claim in excess of \$50,000 for loss or damage covered thereby be paid to the Mortgagee; provided, however, that all claims regardless of amount may be adjusted by the Lessee with the insurers, subject to approval of the Mortgagee as to settlement of any claim in excess of \$50,000. In rendering any approval hereunder, the Mortgagee may rely upon an opinion of Independent Counsel. The insurance hereby required may be contained in blanket policies now or hereafter maintained by the Lessee, including blanket policies for general public liability insurance.

All such policies shall contain a provision that any such policy may not be cancelled unless the Mortgagee is notified at least thirty (30) days prior to cancellation; and at least thirty (30) days prior to expiration of any such policy, the Lessee shall furnish the Mortgagee with evidence satisfactory to the latter, that the policy has been renewed or replaced or is no longer required by this Lease.

The Lessee shall furnish the Mortgagee annually with a certificate, in form and substance satisfactory to the Mortgagee, signed by the Authorized Lessee Representative, stating and demonstrating that the Lessee is in compliance with the insurance requirements of this Article VI.

**SECTION 6.7** Advances by Mortgagee. In the event the Lessee shall fail to maintain the full insurance coverage required by this Lease or shall fail to keep the Project and related facilities in as reasonably safe condition as its operating conditions will permit, or