

ARTICLE VII

PARTICULAR COVENANTS OF THE COUNTY

So long as any of the Bonds are Outstanding, each of the sections of this Article shall constitute and be a covenant by the County with the Trustee and the holders and purchasers from time to time of the Bonds, subject, however, in each and every case to the provisions of Section 5.01 hereof.

SECTION 7.01. Payment of Principal, Interest and Premium. The County shall pay, or cause to be paid, the principal of and interest and premium on each and every Bond at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning hereof and thereof.

SECTION 7.02. Ownership of Land; Title Insurance. The County holds or shall acquire good and marketable fee simple title to the Leased Land described on Exhibit A hereto subject to Permitted Encumbrances.

The County shall obtain or cause to be obtained title insurance on all real property included in the Project in an amount not less than \$1,000,000 with the proceeds thereof to be payable to the Trustee. Any proceeds received from such insurance shall either be applied to curing the defect which gave rise to the receipt of such proceeds, with any excess amount thereof to be credited to the Bond Fund, or the entire amount credited to the Bond Fund.

The County will defend its title to the Project and each part thereof, subject to Permitted Encumbrances, for the benefit of the Trustee and the holders of the Bonds against the claims and demands of all persons whomsoever.

SECTION 7.03. Authority. The County is duly authorized under the Constitution and laws of South Carolina, including particularly and without limitation the Act to issue the Bonds; to execute the Indenture; and mortgage the property described in Items A through G of the Granting Clauses hereto; and assign the Lease and to pledge the revenues and receipts therefrom in the manner and to the extent herein set forth. All action on the part of the County for the issuance of the Bonds and the execution and delivery of the Indenture has been duly and effectively taken. The Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the County according to the tenor thereof, subject to valid bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights generally.

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