

ARTICLE VII
SPECIAL COVENANTS

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SECTION 7.01. No Warranty of Design, Condition or Suitability by Issuer. The Issuer makes no warranty, either express or implied, as to the design, capabilities or condition of the Project or that it will be suitable for the Corporation's purposes or needs.

SECTION 7.02. Maintenance of Corporate Existence. The Corporation agrees that as long as the Note is outstanding it will maintain its separate corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation. The Corporation may, with prior written notice to the Lender, permit one or more other corporations to consolidate or merge into it so long as no more than 20% of the issued and outstanding stock of the Corporation after such merger or consolidation is owned by persons other than the owners of the stock of the Corporation prior to such merger or consolidation.

SECTION 7.03. Covenants with Respect to Tax Exemption. The Corporation represents, warrants and covenants to the Issuer, for the benefit of any Person who shall at any time be or become a Holder of the Note that it has taken no action and will take no action or fail to take any required action the consequence of which would be to forego, jeopardize or terminate the exemption of interest on the Note. In the Event of a Determination of Taxability as a result of a violation of this section, such Determination of Taxability shall not constitute an Event of Default under Article IX hereof.

The Corporation covenants that it will comply with all requirements of the Act and the IRC with respect to the use of the proceeds of the Note and that it will file, or cause to be filed, all statements or notices required thereby at the times and in the places and in the manner stated therein.

SECTION 7.04. Indemnification. The Corporation releases the Issuer and the Lender, including the members of the governing body of the Issuer, and the employees, officers and agents of the Issuer and the Lender (herein collectively referred to as the "Indemnified Parties") from, agrees that Indemnified Parties shall not be liable for, and agrees to hold Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever

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