

provide and maintain comprehensive public liability insurance in amounts required by Mortgagee and containing endorsements naming Mortgagee as an additional insured. All insurance policies shall be with responsible insurance companies that are licensed to do business in the state in which the Mortgaged Property is located. All insurance policies shall provide that Mortgagee is to receive thirty (30) days notice prior to cancellation and shall otherwise be in form and substance satisfactory to Mortgagee. Original policies of insurance shall be delivered to Mortgagee; renewal policies shall be delivered to Mortgagee thirty (30) days before the expiration of the then existing policies with satisfactory proof that the premiums for renewal have been paid.

(b) In the event of loss, Mortgagor shall give immediate notice to Mortgagee, and Mortgagee may make proof of loss if not made promptly by Mortgagor. Each insurance company is hereby authorized and directed to make payment for loss directly to Mortgagee, instead of to Mortgagor or to Mortgagor and Mortgagee jointly. If there does not exist a Default or an Event of Default, Mortgagee shall promptly authorize the payment of insurance proceeds in the amount of \$100,000.00 or less that result from loss or damage to the Mortgaged Property caused by a single event or occurrence directly to the Mortgagor for the restoration and repair of the Mortgaged Property. If insurance proceeds resulting from loss or damage to the Mortgaged Property caused by a single event or occurrence exceed \$100,000.00 or if there exists a Default or an Event of Default, Mortgagee may apply all or any part of such insurance proceeds to the payment of the Obligation, whether or not then due, in accordance with the terms of the Intercreditor Agreement, or the restoration or repair of the Mortgaged Property. Mortgagee shall not be responsible for any insurance, for the collection of any insurance proceeds, or for the insolvency of any insurer. Application of insurance proceeds by Mortgagee shall neither cure nor waive any Event of Default nor invalidate any act done hereunder because of any such Event of Default. In the event suit is filed to foreclose this Mortgage, or in the event Mortgagee or a receiver appointed by the court shall take possession of the Mortgaged Property without foreclosure, then all right, title and interest of Mortgagor in and to all insurance policies then in force shall inure to the benefit of and pass to the mortgagee-in-possession, receiver or purchaser at such foreclosure, as the case may be. Mortgagee is hereby appointed attorney-in-fact for Mortgagor to assign and transfer such policies.

(c) If the insurance proceeds are not paid directly to Mortgagor pursuant to Subparagraph (b) above but are to be used for the restoration and repair of the Mortgaged Property, they shall be held by Mortgagee in an immediately available interest bearing account selected by Mortgagee in its sole and absolute discretion (the "Restoration Account").

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