

Section 8.7 Indemnification Covenants.

(A) Lessee shall and agrees to indemnify and save the County and the Trustee 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 (a) any condition of the Project, (b) any breach or default on the part of Lessee in the performance of any of its obligations under this Agreement, (c) any act or negligence of Lessee or of any of its agents, contractors, servants, employees or licensees, or (d) any act or negligence of any assignee or sublessee of Lessee, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of Lessee. Lessee shall indemnify and save the County and the Trustee harmless from and against 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 Trustee, Lessee shall defend them or either of them in any such action or proceeding.

(B) The Act prescribes and the parties intend that the County shall not incur pecuniary liability by reason of making this Agreement, by reason of the issuance of the Bonds, by reason of the execution of the Indenture, by reason of the performance of any act required of it by this Agreement or by reason of the performance of any act requested of it by the Lessee. Nevertheless if the County shall incur any such pecuniary