

personal injury, broad form property damage, and independent contractors, all in said amount.

3. Flood insurance if the Project is located in an area designated by the Secretary of Housing and Urban Development as a special flood hazard area, with such insurance to be at least the amount required by the Flood Disaster Protection Act of 1973 or other applicable law.

4. Loss of rents insurance in an amount not less than \$2,000,000.

5. All-risk builder's risk coverage for the full completed value of the Project during the period prior to the Construction Completion Date.

6. Statutory Workmen's Compensation coverage during the period prior to the Construction Completion Date.

7. Employer's liability coverage in the amount of not less than \$1,000,000 during the period prior to the Construction Completion Date.

8. Umbrella liability coverage over items 2 and 7 of this Section 6 in the aggregate amount of \$15,000,000.

9. Such other insurance coverages as the Trustee or the Surety may reasonably require.

So long as an Event of Default shall have occurred and shall be continuing hereunder, the Co-Mortgagees may, at any time and in their sole discretion upon written notice to the Developer, procure and substitute for any and all of the policies of insurance required above, such other policies of insurance, in such amounts, and carried in such companies, as they may select, and in such event, those policies of insurance shall be included within the definition of "Insurance Policies" set forth herein.

SECTION 7. INSURANCE POLICIES.

All Insurance Policies shall be in form, with companies and in amounts reasonably satisfactory to the Co-Mortgagees and with a South Carolina authorized insurer rated at least A Class XI Best Rating. All Insurance Policies insuring against casualty, rent loss and business interruption and other appropriate policies shall include noncontributing mortgagee endorsements in favor of and with loss payable to the Co-Mortgagees as well as standard waiver of subrogation endorsements, shall provide that the coverage shall be not terminated or materially modified without 30 days' advance written notice to the Co-Mortgagees and shall provide that no claims shall be paid thereunder without 10 days' advance written notice to the Co-Mortgagees. The requirements of the preceding sentence shall apply to any separate policies of insurance taken out by the Developer concurrent in form or contributing in the event of loss with the Insurance Policies. The Developer will deliver all Insurance Policies, premium prepaid, to the Trustee and, in case of Insurance Policies about to expire, the Developer will deliver renewal or replacement policies not less than 30 days prior to the date of expiration.