

months. The amount of such business income and extra expense insurance shall be determined by Beneficiary prior to the date hereof and at least once each year thereafter based on Beneficiary's reasonable estimate of the gross income from the Trust Property for the succeeding twelve (12) month period. All insurance proceeds payable to Beneficiary pursuant to this Subparagraph 2(a)(ii) shall be held by Beneficiary and shall be applied to the Debt and/or disbursed to Trustor for payment of the costs and expenses to maintain and operate the Premises and Improvements in such amounts and at such times as Beneficiary may determine; provided, however, that nothing herein contained shall be deemed to relieve Trustor of its obligation to pay the Debt on the respective dates of payment provided for in the Note except to the extent such amounts are actually paid out of the proceeds of such business income insurance. The perils covered by this insurance shall be the same as those accepted on the real property, including flood and earthquake, as necessary. This coverage shall be written on the same basis as the property policy stated in Subparagraph 2(a)(i) above.

(iii) The policy of insurance required pursuant to Subparagraph 2(a)(i) above shall contain the so-called "ordinance or law coverage" endorsements: Coverage A – Coverage For Loss to the Undamaged Portion of the Building, Coverage B – Demolition Cost Coverage, and Coverage C – Increased Costs of Construction in amounts satisfactory to Beneficiary, provided that Beneficiary shall not require amounts in excess of \$50,000.00 for each of Coverage A and Coverage B.

(iv) If windstorm coverage is excluded from the policy required under Subparagraph 2(a)(i) above, Trustor must provide separate windstorm insurance in an amount equal to the lesser of the original principal balance of the Loan and the maximum amount permitted by law, if the Premises are located in an area where Beneficiary requires such insurance. Deductibles larger than \$25,000.00 are subject to approval by Beneficiary.

(v) At all times during which structural construction, repairs or alterations are being made with respect to the Improvements: (A) owner's contingent or protective liability insurance covering claims not covered by or under the terms or provisions of the commercial general liability insurance policy described in Subparagraph 2(b), and (B) the insurance provided for in Subparagraph 2(a)(i) written on a so-called builder's risk completed value form (1) on a non-reporting basis, (2) against all risks insured against pursuant to Subparagraph 2(a)(i), (3) including permission to occupy the Improvements, and (4) with an agreed amount endorsement waiving co-insurance provisions. The amount of such coverage must be approved by Beneficiary.

(b) **Commercial General Liability/Umbrella Liability.** Commercial general liability insurance against claims for personal injury, bodily injury, death or