

EXHIBIT E

OWNER'S INSURANCE

5.3 Insurance by Owner.

a. Owner shall, at all times during the Term of this Agreement and, at Owner's cost and expense, maintain insurance coverage on the Property of such type and in such amounts and subject to an insurance replacement amount and, as may be prescribed by any statute, ordinance or governmental regulation applicable to Owner or by any Mortgagee. Such insurance shall include, but not be limited to:

- i. Commercial general liability insurance in the amount of One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate, Umbrella/Excess insurance coverage in the amount of Five Million Dollars (\$5,000,000), and Automobile insurance in the amount of One Million Dollars (\$1,000,000). Owner shall provide a certificate of insurance certifying such insurance limits. Under this policy, Manager will be an insured while acting as Owner's real estate manager, and Owner's policy will be primary and Owner's insurer will not seek contribution from insurance afforded under the policies described in Section 5.4(a)(i) (Manager's Commercial General Liability Insurance) while Manager is acting within the scope of its duties as real estate manager; provided, however, the foregoing statement does not apply to Manager's gross negligence or willful misconduct.

Manager shall be named as an additional insured under this policy to be reflected on the insurance certificate.

- ii. Commercial property insurance protecting against loss or damage available under commercial property insurance policies with licensed insurance companies in amounts not less than the then current full insurable value of each Property building, and its

contents owned by Owner (as used herein, the term “full insurable value”, shall mean the actual replacement cost of each Property building and its contents as defined in the applicable insurance policy);

iii. boiler and machinery insurance on boilers, pressure vessels and other machinery in amounts equal to or greater than the amounts as shall be agreed to by Manager and Owner;

iv. business interruption insurance covering risk of loss from any loss or damage to a Property building, its contents, boiler, pressure vessels or machinery and any resulting damage thereby rendering such Property untenable or the services to be provided by such Property unmarketable, causing a loss of business, with limits or an amount no less than twelve (12) months of rental value;

- b. Notwithstanding anything in this Agreement to the contrary, Manager acknowledges and accepts that Owner and HOC participate in the Montgomery County Self-Insurance Program, Montgomery County Code, Section 20-37 (“SIP”), including participating in the SIP for property insurance. The SIP insurance amounts provided in Section 5.3(a)(ii), (iii), and (iv) are the maximum limits of liability for which the SIP is responsible, as determined by the LGTCA (as defined below). If the LGTCA is amended to increase any of these limits, then the increased limits shall apply automatically to this Agreement. Any obligation or liability of Owner or HOC arising in any way from Section 5.3(a)(ii), (iii), and (iv) is subject to, and limited by, the appropriation and availability of funds, and nothing in this Agreement shall be construed as a waiver of any rights, defenses, notice requirements, or limitations of liability available to Owner and HOC under the SIP or LGTCA.
- c. Release and Waiver of Claims. Owner and Manager each release and waive any right of recovery against the other (and against the other’s respective officers, directors, shareholders, partners, members, employees, subsidiaries, agents, affiliates, contractors, lenders, trustees, beneficiaries,

licensees, successors and assigns), for any bodily injury, property damage or loss covered by any policy of insurance required by this Agreement, or which would have been covered had the party carried the insurance it was required to carry by this Agreement, or within any self-insured retention (“SIR”) or deductible in such policy. No insurance policy required by this Agreement shall prohibit such release and waiver. In addition, the insurance policies required of Owner and Manager by this Agreement shall contain a waiver of claims against the other by the insurer, whether by subrogation or otherwise (and against the other’s respective officers, directors, shareholders, partners, members, employees, subsidiaries, agents, affiliates, contractors, lenders, trustees, beneficiaries, licensees, successors and assigns). If any insurance policy required by this Agreement provides that a waiver of subrogation may only be granted by endorsement, Owner or Manager, as the case may be, shall secure an endorsement providing the waiver of subrogation. Notwithstanding anything to the contrary herein, Owner does not release or waive any right of recovery against Manager for any SIR or deductible in the commercial property insurance policy described in Sections 5.3(a)(ii), (iii), and (iv) (the “**Property Deductible**”); provided, however, in the event recovery is sought against Manager, Owner shall be responsible for payment of the Property Deductible if Manager is not otherwise liable pursuant to this Agreement, including Section 7.4 hereof.

- d. Owner shall provide thirty (30) days written notice to Manager if any material change to any of the policies is required. Owner shall timely provide Manager with certificates issued by the insurer evidencing such insurance.