

decrease the use of the Leased Premises for the purposes of this Lease and does not decrease the value of the same. The cost of all such alterations, improvements and modifications shall be borne solely by Lessee and shall become a part of the Leased Equipment and the property of Lessor as made. All work done in connection with such alterations, improvements and modifications shall be done in a good and workmanlike manner.

Section 13.04. Removal and Disposition of Inadequate Worn-Out or Obsolete Leased Equipment. Lessor shall be under no obligation to renew, repair or replace any inadequate, obsolete or worn-out Leased Equipment. In the event Lessee determines that any items of Leased Equipment have become inadequate, obsolete or worn-out and that the removal thereof will not interfere with the operation or substantially decrease the use of the Leased Premises for the purposes of this Lease, and so long as Lessee is not in default hereunder Lessee may remove such items of Leased Equipment from the Leased Premises and (on behalf of Lessor) sell, trade in, exchange or otherwise dispose of them, provided that Lessee substitutes and installs on the Leased Premises other machinery or equipment having a market value not less than the then market value of the equipment being removed and gives Lessor or the Trustee prompt written notice thereof. All such substituted machinery or equipment shall be free of any liens and encumbrances, shall be and become part of the Leased Equipment subject to the provisions hereof, shall be added to Schedule B attached hereto and shall be held by Lessee on the same terms and conditions as items originally comprising the Leased Equipment; further provided, however, that Lessee will not be required to substitute and install other machinery or equipment in lieu of removed Leased Equipment if Lessee pays into the Bond Redemption Account established under the Indenture:

- (i) in the case of the sale of any such Leased Equipment to someone other than the Lessee or in the case of the scrapping thereof, the proceeds from the sale of such Leased Equipment or the scrap value thereof, as the case may be, or
- (ii) in the case of the trade-in of any such Leased Equipment for other equipment not to be installed on the Leased Premises, or, if installed on the Leased Premises, not to be added to Schedule B attached hereto, the amount of the credit received by it on such trade-in, and
- (iii) in the case of the sale of any such Leased Equipment to Lessee, or in the case of any other disposition thereof, an amount equal to the sale price or the depreciated value thereof, whichever is greater.

The Lessee will promptly report to the Trustee each such removal, substitution, sale and other disposition and will pay to the Trustee such amounts as are required by the provisions of the preceding subsection to be paid into the Bond Redemption