

additions, modifications and improvements shall not in any way damage the Facilities (except for any temporary and immaterial damage associated with any such remodeling or other such activities) or significantly alter the character or purpose or detract from the value or operating efficiency thereof, and will not significantly impair the revenue producing capability of the Facilities or adversely affect the ability of the Corporation to comply with the provisions of this Mortgage, the Agreement and the Indenture. Any property for which a substitution or replacement is made pursuant to this Section may be disposed of by the Corporation in any manner and in the sole discretion of the Corporation. The Corporation will not permit any mechanic's or other lien to be established or remain against the Facilities for labor or materials furnished in connection with any remodeling, substitutions, additions, modifications, improvements, repairs, renewals or replacements so made by the Corporation; provided that if the Corporation shall first notify the Issuer of the Corporation's intention to do so, the Corporation may in good faith contest any mechanic's or other lien filed or established against the Facilities, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Trustee or the Issuer shall notify the Corporation that, in the opinion of its counsel, by nonpayment of any such items the lien of the Indenture or the mortgage lien and security interest of this Mortgage will be materially endangered or the Facilities or any part thereof will be subject to loss or forfeiture, in which event the Corporation shall promptly pay and cause to be satisfied and discharged all such unpaid items.

Section 4.2. Release of Items of Facilities Equipment.
If no event of default hereunder shall have occurred and be continuing, the Corporation may remove any items of Facilities Equipment from the Facilities and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Issuer therefor, provided that:

(a) (i) the Corporation shall receive consideration at least equal to the fair market value, if any, of such Facilities Equipment as determined by the Administrator, (ii) such consideration is applied toward the acquisition of additional Facilities Equipment to be used in the operations of the Facilities and to be subject to the lien hereof, and (iii) such removal, sale, trade-in, exchange or other disposition will not significantly impair the revenue producing capacity of the Corporation; or