

(c) The Corporation shall report annually on September 1 of each year to the Lender each such removal, substitution, sale and other disposition requiring substitution or payments to the Lender and shall pay to the Lender upon filing such report such amounts as are required by the preceding provisions of this section to be paid to the Lender in consequence of the sale, trade-in or other disposition requiring such payment; provided, that no such report and payment need be made in any year of this Agreement (September 1 through the following August 31) unless the amount to be so paid on account of all such sales, trade-ins or other dispositions aggregates at least \$5,000.

The Issuer agrees to execute and deliver such documents, if any, as the Corporation may properly request in connection with any action taken by the Corporation in conformity with this section. The Corporation will pay any costs (including reasonable counsel fees) incurred in subjecting to the lien of this Agreement any items of machinery, equipment or related property that under the provisions of this section are to become part of the Project. The Corporation shall not remove, or permit the removal of, any of the Equipment from the Project except in accordance with the provisions of this section.

SECTION 6.04. Damage and Destruction. Immediately after the occurrence of any damage or loss to the Project in excess of \$5,000, the Corporation shall notify the Issuer and the Lender as to the nature and extent of such damage or loss. If the Corporation shall determine that rebuilding, repairing or restoring is practicable and desirable, the Corporation shall forthwith proceed with such rebuilding, repairing or restoring and shall notify the Issuer and the Lender upon the completion thereof. In such case, any property damage insurance proceeds received in respect of such damage or loss shall be used by the Corporation for payment of, or reimbursement for, the costs of such rebuilding, repairing or restoring. In the event any insurance proceeds are not sufficient to pay in full the costs of such rebuilding, repair or restoration, the Corporation will nonetheless complete the work thereof and will pay that portion of the costs thereof in excess of the amount of said proceeds. The Corporation shall not, by reason of the payment of such excess costs, be entitled to any reimbursement from the Issuer, the Lender or any abatement or diminution of the amounts payable under Section 4.01 hereof. If the Corporation determines that rebuilding, repairing or restoring is not practicable and desirable, the Corporation shall notify the Lender and apply all proceeds to the prepayment of the amounts due under Section 4.01 hereof in the manner set forth in Article X hereof or its