

tion 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.

As required by Section 8.13 of the Agreement, 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 3.2. Release of Items of Equipment. If no event of default under the Agreement or hereunder shall have occurred and be continuing, the Corporation may remove any items of 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 in the form of cash (or, if not in cash, accompanied by an Opinion of Bond Counsel that the exemption from Federal income taxation of interest on the Bonds will not be impaired as a result of such receipt and the fair market value of which is) at least equal to the fair market value, if any, of such Equipment as determined by the Corporation, (ii) such consideration, as received, is promptly applied toward the acquisition of additional Equipment to be used in the operations of the Facilities and 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

(b) the Corporation shall reasonably and in good faith determine that such items of Equipment have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for the Corporation's purposes and that the removal, sale, trade-in, exchange or other disposition will