

Section 12.02. Major Casualty; Lessee May Terminate Lease. If, during the Term, the entire Leased Premises or any substantial part thereof (for the purposes of this Section 12.02, "any substantial part thereof" shall mean a loss or casualty exceeding \$200,000 in the aggregate), shall be damaged or destroyed to such an extent as to render the Leased Premises unsuitable to Lessee for the purpose for which the same were used immediately prior to such damage or destruction and if Lessee deems it unwise to rebuild, repair and restore (to be determined in the sole judgment of Lessee), Lessee, in lieu of rebuilding, restoring, replacing and repairing the Leased Premises shall purchase the remainder of the Leased Premises. If, during the Term, the entire Leased Premises, or any substantial part thereof, shall be damaged or destroyed to such an extent that the restoration cost would exceed by 20%, the proceeds of insurance, Lessee in lieu of rebuilding, restoring, replacing and repairing the Leased Premises shall have an option to purchase the remainder of the Leased Premises. Such purchase in either event, shall be made within 90 days after the date of such damage or destruction and the receipt of the insurance proceeds therefor and the purchase price therefor shall be determined as set forth in Section 21.02. Upon the purchase of the Leased Premises, Lessee shall be relieved of its obligation to rebuild, restore, replace and repair the Facilities as required pursuant to Section 12.01 hereof. Lessee shall deliver to Lessor at least 30 days before the proposed date of purchase a certificate, signed by an Authorized Representative of Lessee, stating the proposed date of purchase and certifying that the Board of Directors of Lessee has determined in good faith that the Leased Premises have been damaged or destroyed to such an extent as to render the Leased Premises unsuitable to Lessee for the purposes for which the same were used immediately prior to such damage or destruction and that Lessee deems it unwise to rebuild, repair and restore or that the restoration cost would exceed by 20% the proceeds of insurance and delivery of the certificate shall constitute an exercise of the option by Lessee. On the proposed date of purchase and upon payment of the purchase price in cash, Lessor shall convey the Leased Premises to Lessee subject to and pursuant to Section 21.07 hereof and Lessee shall be entitled to all insurance proceeds resulting from such damage or destruction and the Trustee under the Indenture or the Lessor shall assign and pay over to Lessee all such insurance proceeds.

Section 12.03. Damage or Destruction When No Bonds are Outstanding. Notwithstanding any other provision hereof, if all or any part of the Leased Premises shall be destroyed or damaged and at such time Lessor shall have no Bonds outstanding, Lessee may elect to effect such repair or restoration from its own funds and upon written notice of such election to the Lessor any insurance proceeds payable on account of such damage or destruction shall be paid to Lessee, in which event this Lease shall continue in accordance with its terms, or Lessee may elect by written notice to Lessor to purchase the Leased Premises pursuant to Section 21.03 hereof, in which event Lessee shall have no further liability hereunder and any insurance proceeds payable on account of such damage or destruction shall be paid to Lessee.