

Developer, within a period of one hundred and eighty (180) days following the date of such default, shall not have commenced any action to enforce the operating covenant of such defaulting Department Store, it shall assign to Belk the right to enforce the operating covenant against such defaulting Department Store, upon receipt from Belk of written request therefor.

ARTICLE VII

INSURANCE

Section 7.01. Fire and Extended Coverage Insurance.

Throughout the term of this Agreement, each party shall keep the buildings and other structures on its Site insured against loss or damage by (i) fire and the perils commonly covered under the extended coverage endorsement in an amount which is not less than ninety percent (90%) of the actual replacement cost of such buildings and other structures, excluding the cost of foundations, excavations and footings below the lowest basement floor and (ii) the explosion or rupture of pressure vessels, if such buildings shall be heated by means of a central utility plant, in an amount which is not less than \$100,000 per accident, such insurance to be written on a replacement cost basis.

Any loss covered by such insurance shall be adjusted with the insured. In the event the loss is in excess of \$100,000.00 and neither the insured nor a corporation which has guaranteed performance of the insured's obligations hereunder shall have a net worth of more than \$40,000,000, the insurance proceeds shall be deposited in a bank or trust company satisfactory to the parties hereto to be held in trust and disbursed as the work of restoration progresses, if such restoration is required under the terms of the