

architects or engineers by whom they were prepared, and the general contractors by whom and the contracts under which said construction will be performed, shall be subject to the prior written approval of Grantee. Said general contractors shall be required to carry workman's compensation insurance and be bonded in the same manner as provided in Section 4.2 of the Loan Agreement, except that any proceeds from said bonds and any amounts received from any contractor or materialman by way of damages for breach of contract, refunds or adjustment shall be deposited in the Insurance and Condemnation Proceeds Fund. Furthermore, Grantor shall at all times while such construction is in progress cause to be maintained builder's risk insurance as provided in Section 4.2 of the Loan Agreement, except that all payments thereunder shall be deposited in the Insurance and Condemnation Proceeds Fund. Grantee agrees to pay for said construction, and for the acquisition of any Furnishings or Equipment that may be required by Grantor under (a) or (b) above, but solely from the Insurance and Condemnation Proceeds Fund, upon receipt of the certificates and other instruments described in Sections 4.3, 4.4, and 4.5 of the Loan Agreement and subject to the provisions of Section 4.6 of the Loan Agreement except that the term "Insurance and Condemnation Proceeds Fund" shall be substituted for "Construction Fund" wherever that term appears.

Section 6.3. Deficiency in Insurance and Condemnation Proceeds Fund. If the amount in the Insurance and Condemnation Proceeds Fund shall be insufficient to pay in full the cost of such restoration or acquisition, repairing, rebuilding or rearranging of the Project, Grantor shall, subject to the provisions of Section 2.5 of the Loan Agreement, promptly pay such additional sums of money into the Insurance and Condemnation Proceeds Fund as may be necessary to pay all such costs in full, and Grantor will not by reason of the payment of such deficiency be entitled to any reimbursement from Grantee or to any abatement or diminution of the Loan Payments or Additional Payments payable hereunder.

Section 6.4. Surplus in Insurance and Condemnation Proceeds Fund. Any balance remaining in the Insurance and Condemnation Proceeds Fund over and above the cost of the repair, restoration, rearranging, or rebuilding of the Facilities or rearranging of the Project facilities shall, upon receipt by Grantee of a certificate of the Designated Representative of Borrower to the

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