

Ordinance or the date of prepayment in accordance with the provisions of the Note Ordinance) shall, except as otherwise provided in this Agreement, be credited against the next rental payment to the extent such amount is in excess of the amount required for payments on account of the Notes theretofore due; and provided further, that if the amount held by the Mortgagees for application as aforesaid should be sufficient to pay at the times required the principal of, premium if any, and interest on the Notes due or to become due to maturity or to such earlier date on which the Notes are called for prepayment in full in accordance with the terms of the Note Ordinance, the Lessee shall not be obligated to make any further rental payments under the foregoing provisions of this Section.

In the event the Lessee should fail to make any of the payments required in this Section 5.3 the item or installment so in default shall continue as an obligation of the Lessee until the amount in default shall have been fully paid, and the Lessee agrees to pay the same with interest thereon at the Penalty Rate until fully paid. The provisions of this Section shall be subject to the provisions of Section 9.6 hereof.

Anything herein to the contrary notwithstanding, the obligations of the Lessee under this Agreement shall be subject to the limitations that payments hereunder shall not be required to the extent that the receipt of any such payment by the County, the Mortgagees, or the Agent would be contrary to the provisions of law applicable to any such person which limit the maximum rate of interest which may be charged or collected by such person.

SECTION 5.4. Place of Rental Payments. The rent provided for in Section 5.3 hereof shall be paid directly to the Agent for the account of the County and will be applied against the Notes. All other amounts due under this Agreement shall be paid to the Agent.

SECTION 5.5. Payments in Lieu of Taxes. It is recognized that under the provisions of the Act when any project is leased by a county pursuant to the Act, the lessee thereof shall be required to make payments to the county, the school district or school districts, and other political units wherein the project shall be located in lieu of taxes, in such amounts as would result from taxes levied on the project by such county, school district or school districts, and other political unit or units, if the project were owned by the lessee, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to the lessee if it were the owner of the project. For the sole purpose of enabling the Lessee to comply with the aforesaid obligation, it is agreed that the County in cooperation with the Lessee

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