

(b) At such time as such funds constitute Available Moneys, to redemption of the Bonds on the next succeeding redemption date as specified in a written notice by Company to Trustee, provided that no part of the Net Proceeds may be applied for such redemption unless (1) all of the Bonds are to be redeemed in accordance with the Indenture upon termination of this Agreement pursuant to Section 6.5(a) or Section 6.5(b) of the Agreement or (2) in the event that less than all of the bonds are to be redeemed, Company shall furnish to Issuer, Agent and Trustee a certificate of Company Representative acceptable to Issuer, Agent and Trustee stating that (i) the property forming the part of the Facilities that was damaged or destroyed by such casualty or was taken by such condemnation proceedings is not essential to the use or possession of the Facilities by Company or (ii) the Facilities have been repaired, restored, modified or improved to operate as designed.

If such Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in this Section 5 hereof, Company will nonetheless complete the work and will pay any cost in excess of the amount of the Net Proceeds held by Trustee. Company agrees that if by reason of any such insufficiency of such Net Proceeds, Company shall make any payments pursuant to the provisions of this Section, Company shall not be entitled to any reimbursement therefor from Issuer, Trustee or the Owners of any of the Bonds, nor shall Company be entitled to any diminution of the amounts payable under Section 6.1 of the Agreement.

Issuer shall cooperate fully with Company at the expense of Company in filing any proof of loss with respect to any insurance policy covering the casualties described in this Section 5 and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Facilities or any part thereof or any property of Company in connection with which the facilities are used and will, to the extent it may lawfully do so, permit Company to litigate in any proceeding resulting therefrom in the name and on behalf of Issuer. In no event will Issuer voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding with respect to the Facilities or any part thereof without the prior written consent of Company Representative.