

effect the amount of insurance coverage required under the terms of the Net Lease shall satisfy the requirements of this Section 16.1.

16.2. Delivery of Policies; Insurance Certificates. The Partnership will deliver promptly upon request to the Company originals or certified copies of all insurance policies, or, in the case of blanket policies, certificates thereof, with respect to the Property which the Partnership is required to maintain or cause to be maintained pursuant to this Section 16, together with evidence as to the payment of all premiums then due thereon. The Partnership will also deliver to the Company, promptly upon request of the Company, at the option of the Partnership, a Partnership Certificate or an Officer's Certificate of Color Tile setting forth the particulars as to all such insurance policies and certifying that the same comply with the requirements of this Section 16 and that all premiums then due thereon have been paid.

17. Damage to or Destruction of Property. 17.1. Partnership to Give Notice. In the event of any material damage to or destruction of the Property or any part thereof the Partnership will give prompt written notice thereof to the Company, generally describing the nature and extent of such damage or destruction and setting forth the Partnership's (or Color Tile's) best estimate of the cost of Restoration, as defined in Section 17.2. The Partnership hereby irrevocably assigns, transfers and sets over to the Company all the rights of the Partnership to any insurance proceeds on account of any damage or destruction, to be applied in accordance with Section 17.4. The Partnership will, in good faith and with due diligence, file or prosecute what would otherwise be the Partnership's claim for any such insurance proceeds and cause the same to be collected and paid over to the Company, and irrevocably authorizes and empowers the Company, in the name of the Partnership or otherwise, to collect any such insurance proceeds and, in the event that the Partnership fails so to act or is otherwise in default hereunder, to file and prosecute the claim. In the event the Partnership fails to diligently file or prosecute what would otherwise be the Partnership's claim and the Company subsequently acts hereunder, the Partnership will pay all costs, fees and expenses reasonably incurred by Company in connection with any damage or destruction or in seeking and obtaining any proceeds on account thereof. Settlement of a loss may be made only on written consent of both Partnership and Company, except if Partnership is in default then loss may be adjusted solely by the Company.

17.2. Restoration. In the event of any damage to or destruction of the Property or any part thereof other than a Total Destruction, the Partnership will, at its expense whether or not the insurance proceeds, if any, on account of such damage or destruction shall be sufficient for the pur-