than Permitted Encumbrances) and shall become a part of the Leased Equipment; or

(b) Not make any such substitution and installation, provided that (i) in the case of the sale of any such Leased Equipment to anyone other than itself or in the case of the scrapping thereof, and (ii) in the case of the trade-in of such Leased Equipment for other machinery, equipment or related property not to be installed in the Building or on the Leased Land, and (iii) in the case of the sale of any such Leased Equipment to the Lessee or in the case of any other disposition thereof, the Lessee shall pay to the Mortgagee an amount equal to the original cost thereof less depreciation at rates calculated in accordance with generally accepted accounting practice.

The removal from the Project of any portion of the Leased Equipment pursuant to the provisions of this Section shall not entitle the Lessee to any abatement or diminution of the rents payable under Section 5.3 hereof.

The Lessee shall promptly report to the Mortgagee each such removal, substitution, sale and other disposition and shall pay to the Mortgagee such amounts as are required by the provisions of this Section promptly after the sale, trade-in or other disposition requiring such payment; provided, however, that no such report and payment need be made on account of any such sale, trade-in, or other disposition so long as the aggregate original cost value, either to the Lessee or to the County, of the Leased Equipment so removed is less than \$10,000.00. The Lessee shall not remove, or permit the removal of, any of the Leased Equipment from the Leased Land except in accordance with the provisions of this Section.

4328 RV-2

THE PARTY OF THE P