

erty, of a deed or other instrument of conveyance of such Property to Lessee, but such appointment shall not prevent any failure on the part of the Company to comply with the terms of this section from constituting a default under this Mortgage.

17.4. Application of Awards, etc. All awards and payments received by or payable to the Mortgagee on account of a Taking of all or any part of any Property (less the actual costs, fees and expenses incurred in the collection thereof) shall, so long as no Event of Default shall have occurred and be continuing, be applied or dealt with by the Mortgagee as follows:

(a) All such awards and payments actually received, other than those in respect of a Total Taking, shall be applied as follows:

(i) Subject to subparagraph (ii) below, such awards and payments shall be applied to pay the cost of restoration of such Property, such application to be effected substantially in the same manner and subject to

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the same conditions as provided in section 16.4 with respect to insurance proceeds, except that, in case the total amount of such awards and payments shall not exceed \$10,000, such awards and payments shall be paid over to Lessee, if not in default under the Lease, forthwith upon written request therefor and without compliance with any such conditions.

(ii) In case of a Taking of the Property for temporary use, such awards and payments shall be held and applied to the payment of Basic Rent, Additional Rent and other amounts becoming payable by Lessee under the Lease for the period of temporary use, provided that, if any portion of such awards and payments is made by reason of any damage to or destruction of such Property during such Taking for temporary use, such portion shall be held and applied as provided in subparagraph (i) above after such Taking is terminated.

(iii) The balance, if any, of such awards and payments not required to be held or applied in accordance with the foregoing subparagraphs (i) and (ii) shall, unless Lessee is in default under the Lease, be paid over or assigned to Lessee or as it may direct.

(b) All such awards and payments received or payable on account of a Total Taking shall, upon substitution of other service station premises or payment of the purchase price for such Property, as the case may be, be paid over or assigned to Lessee or as it may direct.