

bearer, and payment to the bearer thereof shall fully discharge the Borrower in respect of the interest therein mentioned whether or not this Bond be registered as to principal and whether or not any such coupons be overdue.

The Bonds are general obligations of the Borrower, additionally secured by: (1) a first mortgage on the Project, including the site thereof; (2) a first lien on and pledge of the net revenues to be derived from the operation of the Project; (3) a first lien on and pledge of the net revenues derived from the operation of the existing Jolliffe Hall; and (4) a first lien on and pledge of the net revenues derived from the operation of the existing Parmenter Commons Dining Hall and any replacement thereof or substitution therefor.

It is hereby declared and represented in issuing this Bond and the series of which it is a part that while any part of the principal or interest of said issue of Bonds is outstanding and unpaid the Borrower has covenanted and agreed to operate and maintain continuously the Project and the other facilities the net revenues of which are pledged to the payment of the Bonds; to establish and continuously maintain rental, use, occupancy and other service charges and to make other payments sufficient to pay the reasonable operation and maintenance expenses thereof, the principal of and interest on the Bonds as each Bond matures and as such interest falls due, and to establish and maintain a reserve for the payment of the principal of and interest on the Bonds as more fully provided in the Indenture; and that it has established and will maintain in force such parietal rules as shall be necessary to assure maximum use and occupancy of the Project and said other facilities.

In case an event of default, as defined in the Indenture, occurs, the principal of this Bond may become or may be declared due and payable prior to the stated maturity hereof in the manner and with the effect and subject to the conditions provided in the Indenture.