

issued by the Borrower for the purpose of providing funds to pay a part of the cost of constructing on land owned in fee simple by the Borrower situated in the City of Baldwin City, Douglas County, Kansas, a new dormitory building designed to house approximately 144 students, together with three supervisor apartments, and a Student Union Building with dining facilities, and the Bonds of said Series 1961D having been issued for the purpose of providing funds to construct on land owned in fee simple by the Borrower situated in the City of Baldwin City, Douglas County, Kansas, a new dormitory building for approximately 148 students and one supervisor, the Bonds of said four series, namely, Series 1961A, Series 1961B, Series 1961C, and Series 1961D, all being issued under and all equally and ratably secured by a Trust Indenture dated as of October 1, 1961 (herein called the "Indenture"), duly executed and delivered by the Borrower, pursuant to the Resolution aforesaid, to said Trustee, to which Indenture and to all indentures supplemental thereto, reference is hereby made for a description of the property mortgaged and funds, revenues, fees and charges pledged thereunder, the nature and extent of the security thereby created, the rights of the holders or registered owners of the Bonds, the rights, duties and immunities of the Trustee, and the rights and obligations of the Borrower thereunder. An executed counterpart

of the Indenture is on file at the office of the Trustee and an executed counterpart has been recorded in the office of the Register of Deeds of the County of Douglas, State of Kansas, as provided by law for recording of mortgages on real estate.

Bonds of Series 1961A, of which this Bond is one, are numbered consecutively from 1A to 285A, inclusive, in the order of maturity. Bonds numbered 1A through 28A, inclusive, maturing October 1, 1962 through October 1, 1966, inclusive, are not subject to redemption except when redeemed through the application of the proceeds of insurance as prescribed in Section 6.14 of Part Two of said Indenture. Bonds numbered 29A through 241A, inclusive, maturing October 1, 1967 through October 1, 1991, inclusive, are subject to redemption at the option of the Borrower prior to the stated maturities thereof, in whole, or in part and in inverse numerical order, on any interest payment date after October 1, 1966, at the principal amount thereof plus accrued interest to date of redemption, and a premium for each such Bond as follows:

- 3% if redeemed April 1, 1967 through October 1, 1971 inclusive,
- 2 1/2% if redeemed April 1, 1972 through October 1, 1976 inclusive,
- 2% if redeemed April 1, 1977 through October 1, 1981 inclusive,