

but on or prior to October 1, 1988, 101% if paid after October 1, 1988 but on or prior to April 1, 1993. PROVIDED, HOWEVER, that so long as the registered owner hereof shall be the Payee, the Borrower may prepay on any interest payment date the entire unpaid principal amount hereof or, from time to time in the inverse chronological order of said installments, such lesser portion thereof in multiples of One Thousand Dollars as the Borrower may determine, at the principal amount thereof plus accrued interest to the date of such prepayment.

Notice of any such optional prepayment shall be given at least thirty days prior to the prepayment date by mailing to the registered owner of this Bond a notice fixing such prepayment date, the amount of principal and the premium, if any, to be prepaid.

This Bond may be assigned and upon such assignment the assignor shall promptly notify the Borrower at the office of the Trustee by registered mail, and the Alternate Payee shall surrender the same to the Trustee either in exchange for a new fully registered Bond or for transfer on the registration records and verification of the endorsements made on the Payment Record attached hereto of the portion of the principal amount hereof and interest hereon paid or prepaid, and every such assignee shall take this Bond subject to such condition.

In case an event of default, as defined in the Indenture, shall occur, the principal of this Bond may be declared or may become due and payable in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or interest on this Bond against any officer, director, trustee, or member of the Borrower, as such, all such liability (if any) being hereby expressly waived and released by every registered holder or transferee hereof by the acceptance hereof, and as a part of the consideration hereof, as provided in the Indenture.

It is hereby certified that all of the conditions, acts and things required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond, do exist, have happened or have been performed in regular form, time and manner.

This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory unless it shall have been authenticated by the Trustee, or its successor in the trust, by completing the Certificate of Trustee appearing thereon.

IN WITNESS WHEREOF, TRUSTEES OF THE BAKER UNIVERSITY, and KANSAS EDUCATIONAL ASSOCIATION OF THE METHODIST EPISCOPAL