and 6 of this ARTICLE V of Part One.

Section 3. Payment of Current Expenses: The Current Expenses of the System shall be payable as a first charge from the System Revenue Fund as the same become due and payable. The term "Current Expenses" shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incident to the operation of the System but shall exclude depreciation, capital expenditures, all general administrative expenses of the Borrower, and the payments into the Student Housing System Repair and Replacement Reserve Account hereinafter provided for.

Section 4. Student Housing System Bond and Interest Sinking Fund Account: There is hereby created and ordered to be established and maintained so long as any Bonds are outstanding against the System with the Trustee designated in this Indenture a separate Student Housing System Bond and Interest Sinking Fund Account in this Indenture sometimes called the "System Bond Fund", into which there shall be deposited:

(a) All accrued interest received from the sale and/or exchange of the Bonds;

(b) All the funds and/or investments in the Bond Fund established in accordance with the indenture authorizing the issuance of the Borrower's Dormitory Bonds, Series 1956, and all the funds and/or

investments in the 1958 Bond Fund established in accordance with the indenture authorizing the issuance of the Borrower's Dormitory and Student Union Bonds, Series 1958A and Series 1958B, all of said issues being refunded by the issuance of the Borrower's Student Housing System Bonds, Series 1961A, Series 1961B and Series 1961C, herein authorized.

(c) After providing for the payment of Current Expenses of the System, the Borrower shall transfer from the System Revenue Fund and deposit to the credit of the System Bond Fund, on or before each March 15 and September 15, the sum of at least Thirty-four Thousand Two Hundred Dollars ($34,200). In addition, the Borrower shall transfer the larger of (1) the remaining balance therein, or (2) such balance which, together with the interest for the current interest period on the Series 1961D Bonds chargeable as a Project development cost plus the Borrower's general funds shall be sufficient to pay the interest on the outstanding Series 1961D Bonds as the same becomes due; PROVIDED, HOWEVER, that beginning March 15, 1964, and thereafter the Borrower shall, after providing for the payment of current expenses, transfer from the System Revenue Fund and from its general funds, if necessary, and deposit to the credit of the System Bond Fund, on or before each March 15 and September 15, the sum of at least Forty-nine Thousand Two Hundred Dollars ($49,200) until the funds and/or investments therein are sufficient to meet the interest on the outstanding Bonds due on the next interest payment date and one-half of the principal due within the succeeding twelve months, plus a debt service reserve in the sum of One Hundred Sixty-one Thousand Six Hundred Dollars ($161,600) and, thereafter, on or before each March 15 and September 15, such sums from said sources as may be necessary to meet the interest on the outstanding Bonds due on the next interest payment date and one-half of the principal due within the succeeding twelve months and maintain the debt service reserve in the sum of One Hundred Sixty-one Thousand Six Hundred Dollars ($161,600). Moneys in the System Bond Fund shall be used solely for the payment of the principal of and interest on the