Section 2. Notice to Trustee: The written notice to the Trustee regarding redemption of Bonds, referred to in Section 3.02 of Part Two of the Indenture, shall be signed by the Secretary of the Board of Trustees of TRUSTEES OF THE BAKER UNIVERSITY and by the Secretary of the Board of Directors of KANSAS EDUCATIONAL ASSOCIATION OF THE METHODIST EPISCOPAL CHURCH.

ARTICLE IV

BOND PROCEEDS AND CONSTRUCTION ACCOUNT

Section 1. Construction Account Operations: The designated depository for the Construction Account, referred to in Section 4.01 of Part Two of the Indenture, shall be The First National Bank of Topeka, Topeka, Kansas. Checks drawn against the Construction Account for the purpose of paying Project costs, as defined in Section 4.02 of said Part Two, or for reimbursements permitted by Section 4.03 of said Part Two, shall be signed by any two of the following: The President of Baker University, the Secretary of the Board of Trustees of TRUSTEES OF THE BAKER UNIVERSITY, the Treasurer of Baker University, or such other person or persons as may be designated by resolution of the Boards of the Borrower. A certified copy of any such resolution shall be filed promptly with the depository of the Construction Account.

ARTICLE V

DISPOSITION OF PLEDGED REVENUES

Section 1. Bond and Interest Sinking Fund Account: There

is hereby created and ordered to be established with the Trustee designated in this Indenture, and maintained so long as any of the Bonds are outstanding, a separate "Bond and Interest Sinking Fund Account", which may be known as and in this Indenture called the "1962 Bond Fund", and all accrued interest received from the sale of the Borrower's Student Union Improvement Bonds, Series 1962, shall be deposited to the credit of said 1962 Bond Fund, which sum shall be credited against the amount to be deposited into the said 1962 Bond Fund on the next interest payment date. The Borrower covenants and agrees that as soon as the Project is substantially completed the Borrower will transfer from the pledged student tuition, fees, and charges and deposit to the credit of the 1962 Bond Fund on or before each March 15 and September 15, such sum which, together with the interest for the current interest period chargeable as a project development cost, shall be sufficient to pay the interest on the outstanding Bonds as the same become due; Provided, however, that beginning September 15, 1964, and thereafter the Borrower shall transfer from pledged revenues and deposit to the credit of the 1962 Bond Fund, on or before each March 15 and September 15, the sum of at least Five Thousand Five Hundred Fifty Dollars ($5,550) 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 Seventeen