

SECTION V: That this instrument is not intended as a mortgage, however, the Church binds and obligates itself, its successors and assigns, not to sell or in any manner encumber the property described above while any of the bonds of this bond issue, or of any subsequent bond issue, authorized pursuant to the provisions hereof, are outstanding or unpaid, unless the purchaser or mortgagee shall pay all outstanding bonds together with accrued interest thereon; however, the governing body of the Church may release from the operation of this covenant any part of said property not used for church purposes and the same may be sold provided that the proceeds from such sale or the appraised value thereof (whichever is greater) shall be deposited into the interest and sinking fund account and provided further that said deposits shall be over and above the regular required deposits and shall be used for the advance retirement of the longest maturing bonds then outstanding.

SECTION VI: That the Church Treasurer shall deposit all of the proceeds from the sale of this bond issue into the building fund of the Church; and, unless otherwise specified in the last section of this resolution, said proceeds shall be used exclusively to finance the acquisition, establishment and equipping of permanent improvements in the development of the Church program on the property above described; that the Church warrants that such property, unless otherwise specified herein, is now free and clear of all encumbrances.

SECTION VII: That the Church hereby binds and obligates itself, its successors and assigns, to keep the improvements on the real property described herein insured against loss by fire and windstorm in some reliable insurance company for an amount equal to the value of all improvements on the property herein described; and in the event of loss by fire or windstorm, the proceeds from such insurance policy shall constitute a trust fund with which said improvements may be replaced by the outstanding bonds paid as the Church may elect. The Church shall exhibit said insurance policy to any bondholder upon demand during reasonable hours.

SECTION VIII: That the Church Treasurer and a representative number of the other members of the Church are hereby authorized and directed to make and execute a performance guaranty, guaranteeing that the Church Treasurer and his successors will perform the duties specifically imposed on the Office of the Church Treasurer under the terms and provisions of this resolution, provided, however, that no signer of said performance guaranty shall ever be obligated beyond the revenues of the Church. The Church may by resolution provide for an Assistant Treasurer, or Bond Treasurer, to handle the obligations herein imposed on the Church Treasurer except the obligation to make the required weekly deposits.

SECTION IX: That should there be a default of any principal or interest payment of this bond issue, or should the Church or any official thereof fail or refuse to perform any duty imposed by this resolution, the holders of twenty-five (25%) per cent in amount of all of the outstanding bonds of this bond issue may declare all of the outstanding bonds of this bond issue immediately due and payable and may file suit on behalf of the holders thereof to enforce payment in any manner authorized by law in this State; provided, further, that any individual holder of a bond of this bond issue may file suit immediately upon the default of any principal or interest payment due him.

SECTION X: That the Church reserves the option to call in for payment before maturity any or all of the bonds of this bond issue at either prior written notice thereof to the holder, should the Church intend to exercise said option so reserved, it shall (a) give at least thirty (30) days' notice to the holder of all of the bonds of this bond issue so called, (b) deliver a copy of each of said notices to the paying agent bank for said bond issue, and (c) immediately deposit into the special interest and sinking fund account provided for above a sum sufficient to pay the principal amount of and the accrued interest on all of said bonds so called.

That in the event any of the bonds of this bond issue are called for payment before maturity and the address of any of the holders thereof is unknown, notice of the said call for payment before maturity shall be published once each week for two consecutive weeks before the intended payment date in some newspaper of general circulation in the city, county or parish wherein the Church is located and a copy of such publication together with an affidavit as to the date on which the same was published shall be delivered to the paying agent bank for said bond issue. Said bond or bonds so called for payment before maturity shall cease to yield interest from and after the semiannual interest payment date on which the same are called.

SECTION XI: That the Church in developing its physical program may authorize subsequent bond issues under this resolution on an equality with that herein authorized by executing and filing for record, for each subsequent bond issue, an appropriate resolution containing substantially the same terms and conditions included in this resolution and specifically providing for the assignment of a part of its first weekly revenues for deposit in an independent paying agent bank in sufficient amounts to amortize each such subsequent bond issue in accordance with a designated schedule of bond maturities; however, while any bonds of this series are outstanding, no bonds shall ever be issued other than for the purpose of acquiring additional real property, improving and equipping existing or subsequently acquired real property, or retiring indebtedness secured by any real property of the church.

SECTION XII: That the Church hereby adopts as its seal, for the purpose of executing all instruments in connection with this bond issue only, the seal appearing on the foregoing form for said bonds.

SECTION XIII: That the Chairman of the Board of Trustees of the Church is hereby authorized and directed to certify to this resolution as the act and deed of the Church and to file the same for record in the office of the recorder of the appropriate city, county or parish and to perform all other acts necessary or appropriate to effect a lawful sale of the bonds of this bond issue.

SECTION XIV: Other Provisions. That there is owing by said Church an indebtedness against the hereinabove described property, said indebtedness being in the original principal amount of \$3,500.00, and being owed to Roy O. Debutts, Lawrence, Kansas; and the Church does hereby set aside and appropriate \$3,500.00, or so much thereof as may be necessary, out of the funds derived from the sale of the bond issue herein authorized for the payment of said indebtedness in full. And further, the Church Treasurer is hereby directed to pay said indebtedness in full with said funds thus appropriated and set aside at such time as may be determined by the Church or its authority.

Passed by the governing body of the Church on the 16<sup>th</sup> day of September, 1963.

Mrs. Leige Christensen  
Clerk or Secretary

Roy L. Baber  
Moderator or Presiding Officer

#### CERTIFICATION

The North Lawrence Baptist Church, Lawrence, Kansas, having passed the foregoing resolution, the same is hereby certified as the act and deed of the Church and is recorded pursuant to the authority and direction thereof.

Witnessed this 16 day of September, 1963.

Mrs. M. Christensen  
Secretary, Board of Trustees

Roy L. Baber  
Chairman, Board of Trustees

#### ACKNOWLEDGMENT

STATE OF KANSAS

COUNTY OF DOUGLAS

BEFORE ME, the undersigned authority, on this day personally appeared Roy L. Baber, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of the North Lawrence Baptist Church, Lawrence, Kansas, and in the capacity therein stated.

GIVEN under my hand and seal of office this the 16 day of September, 1963.



My Commission Expires October 12, 1964

David K. Allen  
Notary Public in and for  
Douglas County, Kansas