

System Bond or Bonds, Series 1961A, Series 1961B, Series 1961C and Series 1961D, dated October 1, 1961, heretofore issued and now outstanding, having been issued under and pursuant to and are equally and ratably secured by a certain Trust Indenture dated as of October 1, 1961 (herein called the "Indenture") and a certain First Supplemental Trust Indenture thereto dated as of October 1, 1965 (herein called the "First Supplemental Indenture") duly executed and delivered by the Borrower, pursuant to a resolution duly adopted by the Board of Trustees of TRUSTEES OF THE BAKER UNIVERSITY and a resolution duly adopted by the Board of Directors of KANSAS EDUCATIONAL ASSOCIATION OF THE METHODIST EPISCOPAL CHURCH (said resolutions collectively being herein sometimes called the "Resolution"), to the Trustee to which Indenture and First Supplemental Indenture and 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, and the rights, limitation of rights, duties and immunities of the Trustee, the Borrower, and the registered owner of this Bond. An executed counterpart of the Indenture and of the First Supplemental Indenture are on file at the office of the Trustee, and executed counterparts of said instruments have been recorded at 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.

First Supplemental Indenture hereinafter mentioned, pursuant to which this Bond is issued, in the City of Topeka, Kansas, or its successor as such Trustee, or, at the option of the Alternate Payee, at the principal office of Morgan Guaranty Trust Company of New York, in the Borough of Manhattan, City and State of New York (herein called the "Alternate Paying Agent"). Payments of principal and interest, including prepayments of installments of principal as hereinafter provided, shall be noted on the Payment Record made a part of this Bond, and if payment is made at the office of the Fiscal Agent or Alternate Paying Agent, written notice of the making of such notations shall be promptly sent to the Borrower at the office of the Trustee, and such payment shall fully discharge the obligation of the Borrower hereon to the extent of the payments so made. Upon final payment of principal and interest this Bond shall be submitted to the Trustee for cancellation and surrender to the Borrower.

This Bond, designated as the "Trustees of the Baker University and Kansas Educational Association of the Methodist Episcopal Church Student Housing System Bond, Series 1965" (herein referred to as the "Bond"), is a general obligation of the Borrower limited to an aggregate principal amount of \$655,000 duly issued by the Borrower to finance the construction of a new dormitory housing approximately 150 students and one supervisor, the Bond or Bonds of said Series 1965 of the Borrower and the Borrower's Student Housing