terest to the date of redemption. Any such balance in an amount less than the principal amount of the denomination of the issued Bonds, shall be deposited in the System Bond Fund provided for in Article V of Part One of the Indenture.

Section 3. Amendment of Subsection (b) of Section 6.11 of Article VI, Part Two, of Indenture: Subsection (b) of Section 6.11 of the Trust Indenture dated October 1, 1961, is hereby amended to read as follows:

(b) Boiler Insurance: Upon acceptance of the Project from the contractor, it shall, if such insurance is not already in force, procure and maintain, so long as any of the Bonds are outstanding, Boiler Insurance covering any steam boilers servicing the Pledged Facilities, in a minimum amount of $50,000.

Section 4. Amendment of Section 6.12 of Article VI, Part Two, of Indenture: Section 6.12 of the Trust Indenture dated October 1, 1961, is hereby amended to read as follows:

Section 6.12. Use and Occupancy Insurance: Immediately upon occupancy of any portion of the Project and so long thereafter as the funds and investments of the System Bond Fund or the Collateral Account, if a Collateral Account is required pursuant to Part One hereof, are less than the maximum debt service reserve required by the provisions of Article V of Part One of the Trust Indenture, the Borrower shall procure and maintain Use and Occupancy Insurance on each building, the revenues of which are pledged to payment of the Bonds, in an amount sufficient to enable the Borrower to deposit in the System Bond Fund, out of the proceeds of such insurance, an amount equal to the sum that would normally have been available for deposit in such Account from the revenues of the damaged building during the time the damaged building is non-revenue producing as a result of loss of use

caused by the perils covered by Fire and Extended Coverage Insurance. Each such insurance policy shall be acceptable to the Trustee and shall contain a loss payable clause making any loss thereunder payable to the Trustee as its interest may appear.

Section 5. Amendment of Section 5.01 of Article V, Part Two, of Indenture: Section 5.01 of the Trust Indenture dated October 1, 1961, is hereby amended to read as follows:

Section 5.01. Investment of Funds: Moneys on deposit to the credit of the System Bond Fund and/or the Student Housing System Repair and Replacement Reserve Account shall, upon request by the Borrower, be invested by the Trustee, in direct obligations of, or obligations the principal of and the interest on which are guaranteed by, the United States Government. Obligations so purchased shall be deemed at all times to be a part of the respective Account, but may, from time to time, be sold or otherwise converted into cash, whereupon the proceeds derived from such sale or conversion shall be deposited into the respective Account. Any interest accruing on and any profit realized from such investment shall be credited to such Account. When the Borrower is required to maintain fixed amounts in any such Account, or in the Collateral Account if such an Account is required to be established pursuant to Part One hereof, the investment of such funds shall be valued in terms of current market value as of June 30 and December 31 of each year. The Trustee shall sell, at the best price obtainable, any obligations so purchased, whenever it shall be necessary so to do in order to provide moneys to meet any payment from the respective Account. Neither the Trustee or designated depository shall be liable for any loss resulting from any such investment.

IN WITNESS WHEREOF, TRUSTEES OF THE BAKER UNIVERSITY and KANSAS EDUCATIONAL ASSOCIATION OF THE METHODIST EPISCOPAL CHURCH have caused these presents to be signed in their names by the President