

ARTICLE VESTABLISHMENT OF FUNDS

Section 1. Bond and Interest Account. The Borrower covenants and agrees to establish with the Trustee, and maintain so long as any of the Bonds are outstanding, a separate trust account to be known as the "Bond and Interest Account" into which shall be deposited accrued interest, if any, received from the sale of Bonds, which sum shall be credited against the amount to be deposited into the account to meet the next interest payment. Funds in the amount of the interest accruing on the Bonds during the period of construction of the Project shall be (i) withdrawn from the Construction Fund by the Borrower, when and to the extent moneys in the Construction Fund are specified for such purpose, and deposited into the Bond and Interest Account, or (ii) deposited, by the Borrower, into the Bond and Interest Account, from general funds or any other available funds, in such amounts and in adequate time to meet the interest payments coming due during such construction period. On or before the 15th day of the month immediately preceding the month in which the first interest payment is due after initial use of the Project, and thereafter on or before the 15th day of the month preceding each May and November, the Borrower covenants and agrees to deposit general funds or any other available funds into the Bond and Interest Account in an amount sufficient to pay principal and interest becoming due on each said May and November.