

ARTICLE VII

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INVESTMENTS

SECTION 701. Investment of Construction Fund Moneys. Any moneys held as part of the Construction Fund shall, at the written request of and as specified by the Authorized Lessee Representative, be invested and reinvested by the Trustee in accordance with the provisions of Section 4.9 of the Lease Agreement. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Construction Fund and the interest accruing thereon and any profit realized from such investments shall be credited to such fund, and any loss resulting from such investments shall be charged to such fund. The Trustee is directed to sell and reduce to cash funds a sufficient amount of such investments whenever the cash balance in the Construction Fund is insufficient to pay a requisition when presented.

SECTION 702. Investment of Bond Fund Moneys. Any moneys held as part of the Bond Fund shall, at the written request of and as specified by the Authorized Lessee Representative, be invested and reinvested by the Trustee in any bonds or other obligations which as to principal and interest constitute direct obligations of the United States of America, having maturities consonant with the need to apply moneys in the Bond Fund to the payment of principal, interest and premium, if any, to come due on the Bonds. Any such investment shall be held by or under control of the Trustee and shall be deemed at all times a part of the Bond Fund and the interest accruing thereon and any profit realized therefrom shall be credited to such fund and any loss resulting from such investments shall be charged to such fund. The Trustee shall sell and reduce to cash funds a sufficient portion of investments under the provision of this Section 702 whenever the cash balance in the Bond Fund is insufficient to pay the current interest and principal requirements.

SECTION 703. Limitation on Investments. The Trustee shall not invest any of the moneys in the Construction Fund or the Bond Fund if to do so would be contrary to any policy or rules or regulations of the Internal Revenue Service with respect to arbitrage and the effect of which would be to cause the loss of the exemption of the interest on the Bonds from Federal Income Taxes.

SECTION 704. Trustee's Own Bond Department. The Trustee may make any and all investments permitted under Section 701 and Section 702 through its own Bond Department.