

Section 2. Debt Service Reserve 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 "Debt Service Reserve Account" into which the Borrower covenants and agrees to deposit from general funds or any other available funds, the sum of \$37,500 in three (3) annual payments of \$12,500 each on November 1 of each year commencing on November 1, 1975. Thereafter, the Borrower covenants to deposit, when necessary, sufficient moneys into the Debt Service Account as are necessary to maintain the balance of \$37,500 at all times. Moneys in this account shall be used by the Trustee solely to pay (i) bond interest, and (ii) maturing principal of bonds, whenever and to the extent moneys in the Bond and Interest Account are insufficient for such purposes. Monies on deposit to the credit of the Debt Service Reserve Account shall, upon request by the Borrower, be invested by the Trustee, in direct obligations of, or obligations, the principal of and interest on which are guaranteed by the United States Government, and maturing not later than November 1, 2003. Investments of such funds shall be valued in terms of current market value as of June 30 and December 31 of each year. Except during any period of default under the Indenture securing the Bonds, the Borrower shall have the right to the interest and income derived from the investments.

ARTICLE VI
SPECIAL COVENANTS