

for payment thereof. Thereupon, any balance in the Construction Fund not reserved for the payment of any remaining part of the Cost of any of the foregoing shall be applied to the prepayment of the Note in a manner consistent with the provisions of Section 2.01 hereof.

SECTION 3.06. Moneys to be Continuously Secured.

All moneys received by the Depositary under this Indenture and not invested by the Depositary pursuant to the provisions of Section 3.07 of this Indenture shall be continuously secured for the benefit of the Issuer and the Holder of the Note to the extent and in the manner required by law.

SECTION 3.07. Investment of Moneys.

Moneys on deposit to the credit of the Construction Fund or Depositary may be retained uninvested as trust funds and shall, upon written or oral direction from the Corporation if an Event of Default (as defined in the Agreement) shall not then exist or be continuing, or upon written or oral direction from the Issuer if such an Event of Default shall then exist or be continuing, be invested by the Depositary in Permitted Investments.

Any securities purchased with the moneys in the Construction Fund, shall be deemed a part of such fund and, for the purpose of determining the amount of moneys therein, the securities therein shall be valued at their cost or market value, excluding accrued interest, whichever is lower. The interest, including realized increment on securities purchased at a discount, received on all such securities (after deduction for accrued interest, commissions, if any, and premium paid from the Construction Fund, at time of purchase) shall be deposited by the Depositary in the Construction Fund and any loss resulting from such investments will be charged to the Construction Fund. The Depositary shall not be liable or responsible for any loss resulting from any such investment or resulting from the redemption, sale or maturity of any such investment as in this Indenture authorized. If at any time it shall become necessary that some or all of the securities purchased with the moneys in the Construction Fund be redeemed or sold in order to raise moneys necessary to comply with the provisions of this Indenture, the Depositary shall effect such redemption or sale, employing, in the case of a sale, any commercially reasonable method.

SECTION 3.08. Duties of Depositary.

The duties and obligations of the Depositary shall be determined solely by the express provisions of this Indenture and the Depositary shall use the same degree of care and skill in performance of such duties and obligations, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Except for acts of intentional

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