

all other items provided for in the preceding sub-sections (a) to (i), inclusive, of this Section, shall be applied at the earliest possible date to the prepayment of the Notes in accordance with its terms and the terms of Section 302 of the Note Ordinance and pending such use shall not be invested at a yield in excess of the yield on the Notes, except for amounts retained in the Construction Fund with the approval of the Authorized Lessee Representative for payment of costs of the Project incurred but not then due and payable; any balance remaining of such retained funds after full payment of all such costs to be applied and invested as in this subsection (j) provided.

It is further agreed that:

(1) No advances shall be made from the Construction Fund unless the Agent shall have received and approved (a) copies of the Plans, Specifications and any contracts which may be requested; (b) all applicable governmental authorizations and permits; (c) a current title insurance policy describing the premises; (d) a current survey of the premises, certified to the Agent and the title insurer showing the boundaries of the premises, all easements and rights of way, the proposed building lines, and all streets and roadways abutting the premises; (e) certification from Craig, Gaulden & Davis Architects, Inc., and O'Neal Engineering, Inc., that the Plans and Specifications have been approved and are acceptable to them; (f) copies of all fire and extended coverage and/or builder's risk and, if necessary, flood insurance policies and any other insurance required by the Agreement or the Guarantee; and (g) all other documents, reports or statements to be furnished to the Agent pursuant to this Agreement which can be furnished at the time of each request. In no event shall any advance from the Construction Fund be made if there exists a default under the Notes, Mortgage, this Agreement or any other document delivered in connection with this transaction or if the Lessee or William L. Hart have failed to perform and observe the terms and conditions of the Guarantee. No advances from the Construction Fund shall constitute a waiver of any of the conditions applicable to any subsequent advance.

(2) All disbursements from the Construction Fund shall be made only in the amount of the costs of the construction completed, and materials or