

Whenever and so long as the assets of the Bond Fund shall be sufficient in the aggregate to provide moneys to pay all Bonds then Outstanding, including such interest thereon as may thereafter become due and payable and any premiums upon redemption thereof, no further payments need be made into the Bond Fund.

The Bond Fund shall be drawn upon for the sole purpose of paying the principal, interest and redemption price on the Bonds. Money set aside from time to time by the Trustee for such principal, interest and redemption price shall be held in trust for the Owners of the Bonds with respect of which the same shall have been so set aside. Until so set aside for the payment of principal, interest or redemption price as aforesaid, all moneys in the Bond Fund shall be held in trust for the benefit of the Owners of all Bonds at the time Outstanding equally and ratably and without preference or distinction as between Bonds of a different series, installments or maturities.

Section 4.04. Construction Account.

There shall be deposited in the Bonds Proceeds Series-Construction Account (hereinafter referred to as the "Construction Account"), which is hereby created, the proceeds of all Bonds required to be so deposited by the Series Resolution authorizing the Series of Bonds. There may also be deposited to the credit of the Construction Account any money received from any other source for paying the cost of the Hospital Project described in such Series Resolution. The money in the Construction Account shall be held in trust and applied to the payment of the cost of the Hospital Project or the Additional Facilities as the case may be, and pending such application, shall be subject to a lien and charge in favor of the Owners of the Bonds issued and Outstanding under the Resolution until paid out or transferred as herein provided.

The Construction Account shall be maintained in the State Treasury of the Commonwealth of Kentucky. Disbursements from said account shall be made solely for defraying the costs of the Hospital Project in accordance with procedures prescribed by the State Treasurer. Moneys therein not required for immediate disbursement for the purposes of said account shall be invested and reinvested until needed and shall be invested solely in investments which are legal investments for agencies of the Commonwealth and as designated in a Series Resolution. All investment income shall be deposited to the credit of the Construction Account unless otherwise provided in a Series Resolution.

Section 4.05. Depreciation Reserve Fund.

(a) To the extent that the Board (i) is not subject to the provisions of any federal or state law or regulation pursuant to which principal of and interest on Long-Term Indebtedness are reimbursable to providers of health care services, and (ii) receives third-party payor reimbursement on account of capital expenditures in the form of an allowance for depreciation and principal payments are at any time projected to exceed such reimbursement for depreciation, the Board shall establish and maintain with the State Treasurer a Depreciation Reserve Fund; provided, however, that if no law requires such funds to be held by the State Treasurer, with the consent of the State Treasurer, the Depreciation Reserve Fund may be held by the Board.