Board of Regents, Murray State Normal School

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The Board of Regents of Murray State College, Murray, Kentucky, convened in regular quarterly session pursuant to KRS 164.340 in the office of the President of the College in the Administration Building on the campus of the College at Murray, Kentucky, on February 19, 1966, at the hour of 10:00 am, Central Standard Time.

Chairman Harry M. Sparks was in the Chair presiding, and upon call of the roll, the following answered present: Max J. Blythe, J. Ernest Fall, Jr., C. H. Hall, George Hart, Bob T. Long, and O. B. Springer. Absent: None.

Also present were Dr. Ralph Woods, President of the College, and Patsy R. Dyer, Secretary of the Board.

It having been determined that a quorum was present for the transaction of business and it appearing that the meeting was duly and properly held, the Chairman called the meeting to order.

Agenda

President Woods presented the following Agenda:

<table>
<thead>
<tr>
<th>AGENDA</th>
<th>MEETING OF BOARD OF REGENTS</th>
<th>MURRAY STATE COLLEGE</th>
<th>February 19, 1966</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Minutes of the Board Meeting held on October 16, 1965.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Report of the Committee on Credits, Certification, &amp; Graduation.</td>
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</tr>
<tr>
<td>III. Resignations</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Name</td>
<td>Assignment</td>
<td>Effective</td>
<td></td>
</tr>
<tr>
<td>------</td>
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<td>-----------</td>
<td></td>
</tr>
<tr>
<td>Tommy Todd</td>
<td>Janitor, Science Building</td>
<td>1-31-66</td>
<td></td>
</tr>
<tr>
<td>Raymond Clark</td>
<td>Grounds</td>
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<td></td>
</tr>
<tr>
<td>Fray Carson</td>
<td>Plumber</td>
<td>1-15-66</td>
<td></td>
</tr>
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<td>Anna Sue Patterson</td>
<td>Console Operator</td>
<td>1-15-66</td>
<td></td>
</tr>
<tr>
<td>Peggy Nace</td>
<td>Secretary, Director, Men's Housing</td>
<td>1-8-66</td>
<td></td>
</tr>
<tr>
<td>Hilda McCuiston</td>
<td>Secretary, Field Services</td>
<td>11-30-66</td>
<td></td>
</tr>
<tr>
<td>Charlotte Mc Dougual</td>
<td>Secretary, President's Office</td>
<td>2-8-66</td>
<td></td>
</tr>
<tr>
<td>Janelle Anderson</td>
<td>Instructor, English</td>
<td>1-31-66</td>
<td></td>
</tr>
<tr>
<td>Barbara Bayless</td>
<td>Secretary, Dean of Women</td>
<td>2-15-66</td>
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<tr>
<td>Jack Smith</td>
<td>Grad. Asst., Health, PE, Rec.</td>
<td>1-31-66</td>
<td></td>
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<tr>
<td>Nancy Henson</td>
<td>P-T Nurse</td>
<td>1-31-66</td>
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<tr>
<td>Lucille Billington</td>
<td>Student Union Cafeteria</td>
<td>10-31-65</td>
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<td>Noble Canady</td>
<td>Student Union Cafeteria</td>
<td>11-15-65</td>
<td></td>
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<tr>
<td>Rubye May Canady</td>
<td>Student Union Cafeteria</td>
<td>11-15-65</td>
<td></td>
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<tr>
<td>Paul Jones</td>
<td>Student Union Cafeteria</td>
<td>1-4-66</td>
<td></td>
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<tr>
<td>IV. Adjustments in Salary and Rank</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Assignment</td>
<td>From</td>
<td>To</td>
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<tr>
<td>Ethel B. Miller</td>
<td>Asst. Prof., Education to Assoc. Prof.</td>
<td>$775.00</td>
<td>$800.00</td>
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<tr>
<td>Jim Frank</td>
<td>Assoc. Prof., Health, and PE</td>
<td>716.66</td>
<td>750.00</td>
</tr>
<tr>
<td>Drane Clayton</td>
<td>Deliveryman</td>
<td>175.00</td>
<td>200.00</td>
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<tr>
<td>John Meador</td>
<td>Purchasing Agent</td>
<td>483.33</td>
<td>525.00</td>
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<tr>
<td>Donald Neat</td>
<td>Asst. Prof., History</td>
<td>725.00</td>
<td>750.00</td>
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<tr>
<td>John Nethers</td>
<td>Asst. Prof., History</td>
<td>716.67</td>
<td>750.00</td>
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<tr>
<td>James Start</td>
<td>Asst. Prof., History</td>
<td>716.67</td>
<td>750.00</td>
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<tr>
<td>Wayne Beasley</td>
<td>Asst. Prof., History</td>
<td>690.00</td>
<td>725.00</td>
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<tr>
<td>Lew Wallace</td>
<td>Asst. Prof., History</td>
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### IV. Adjustments in Salary and Rank (cont.)

<table>
<thead>
<tr>
<th>Name</th>
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<th>From</th>
<th>To</th>
<th>Effective</th>
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<tbody>
<tr>
<td>Robert Roulston</td>
<td>Assoc. Prof., English</td>
<td>$760.00</td>
<td>$750.00</td>
<td>1-1-66--6-30-66</td>
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<tr>
<td>Elissa Biggs</td>
<td>Sec., Sch. Applied Sci.</td>
<td>210.00</td>
<td>235.00</td>
<td>2-1-66--6-30-66</td>
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<td>Ludean Norman</td>
<td>Student Union Cafe.</td>
<td>175.00</td>
<td>180.00</td>
<td>11-1-65--6-30-66</td>
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<tr>
<td>David Disney</td>
<td>P-T Inst., Ind. Arts</td>
<td>222.22</td>
<td>333.33</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>Howell Clark</td>
<td>Asst. Prof., Chemistry</td>
<td>745.00</td>
<td>750.00</td>
<td>5-1-66--6-30-66</td>
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### V. Employment

<table>
<thead>
<tr>
<th>Name</th>
<th>Assignment</th>
<th>Monthly Salary</th>
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<tbody>
<tr>
<td>Evan Rudolph</td>
<td>Grad. Asst. Speech</td>
<td>$50.00</td>
<td>2-1-66--5-31-66</td>
</tr>
<tr>
<td>Sherry Weseloh</td>
<td>Clerk-Typist, Library</td>
<td>250.00</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>Peggy Courtney</td>
<td>Sec., Director of Men's Hs.</td>
<td>200.00</td>
<td>1-1-66--6-30-66</td>
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<tr>
<td>Wallace S. Ellis</td>
<td>Grounds</td>
<td>316.67</td>
<td>2-1-66--6-30-66</td>
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<td>Jack Parker</td>
<td>Grounds</td>
<td>266.67</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>James Claypool</td>
<td>Asst. Prof., History</td>
<td>750.00</td>
<td>9-1-66--6-30-66</td>
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<tr>
<td>Susan Hoyt</td>
<td>Sec., Dean of Women</td>
<td>250.00</td>
<td>2-5-66--6-30-66</td>
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<tr>
<td>Joan R. Ophaug</td>
<td>Nurse</td>
<td>110.00</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>Frances Armstrong</td>
<td>Asst. Sec., Pres. Office</td>
<td>275.00</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>Sonya Tanner</td>
<td>Console Operator</td>
<td>210.00</td>
<td>1-7-66--6-30-66</td>
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<tr>
<td>Boyd J. McClure</td>
<td>College Farm</td>
<td>200.00</td>
<td>11-9-65--6-30-66</td>
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<tr>
<td>Jeane M. Willis</td>
<td>Instructor, Education</td>
<td>300.00</td>
<td>for June 1966</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>575.00</td>
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<td></td>
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<td>125.00</td>
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<tr>
<td>Mary S. Farmer</td>
<td>Clerk, Dean of Faculty &amp; Registar's Offices</td>
<td>225.00</td>
<td>11-29-65--6-30-66</td>
</tr>
<tr>
<td>Gayle Finney</td>
<td>Truck &amp; Bus Driver</td>
<td>210.00</td>
<td>11-1-65--6-30-66</td>
</tr>
<tr>
<td>Leonard E. Arnn</td>
<td>Janitor, Applied Science</td>
<td>200.00</td>
<td>11-1-65--6-30-66</td>
</tr>
<tr>
<td>Sharon Lee Ness</td>
<td>Secretary, Field Services</td>
<td>250.00</td>
<td>11-15-65--6-30-66</td>
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<tr>
<td>John E. Cooper</td>
<td>Professor, Education</td>
<td>600.00</td>
<td>for June 1966</td>
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<td></td>
<td></td>
<td></td>
<td>1,100.00</td>
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<td></td>
<td></td>
<td></td>
<td>300.00</td>
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<tr>
<td>Marian T. Morgan</td>
<td>P-T Inst., Education</td>
<td>465.00</td>
<td>for period 2-8-66--5-31-66; payable 5-31-66</td>
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<tr>
<td>Neal E. Campbell</td>
<td>Photographer, Sch. of Educ.</td>
<td>150.00</td>
<td>12-1-65--6-30-66</td>
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<td>Isaac Dunn</td>
<td>College Farm</td>
<td>200.00</td>
<td>1-1-66--6-30-66</td>
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<tr>
<td>Joe Ray, Jr.</td>
<td>Janitor, Applied Science</td>
<td>150.00</td>
<td>1-1-66--6-30-66</td>
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<tr>
<td>Richard Huntington</td>
<td>Instructor, Art</td>
<td>600.00</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>William N. Mitchell</td>
<td>Inst., Health, FE, &amp; Rec.</td>
<td>700.00</td>
<td>3-1-66--6-30-66</td>
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<td>Roy Hatton</td>
<td>Asst. Prof., History</td>
<td>750.00</td>
<td>9-1-66--6-30-66</td>
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<tr>
<td>Dan Ryan</td>
<td>Grad. Asst., Chemistry</td>
<td>120.00</td>
<td>2-1-66--6-30-66</td>
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<td>Opal McClure</td>
<td>Student Union Cafeteria</td>
<td>165.00</td>
<td>1-3-66--6-30-66</td>
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<td>Carl Tucker</td>
<td>Student Union Cafeteria</td>
<td>165.00</td>
<td>1-3-66--6-30-66</td>
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<td>Hugh Beach</td>
<td>Student Union Cafeteria</td>
<td>165.00</td>
<td>1-3-66--6-30-66</td>
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<tr>
<td>Dorothy Farris</td>
<td>Student Union Cafeteria</td>
<td>165.00</td>
<td>1-3-66--6-30-66</td>
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<tr>
<td>Levirn McNeely</td>
<td>Student Union Cafeteria</td>
<td>165.00</td>
<td>1-3-66--6-30-66</td>
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<tr>
<td>Arthur Rolfe</td>
<td>Student Union Cafeteria</td>
<td>180.00</td>
<td>1-3-66--6-30-66</td>
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<tr>
<td>Ann Watson</td>
<td>P-T Clerk, Library</td>
<td>100.00</td>
<td>2-15-66--6-30-66</td>
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<tr>
<td>Ann Thompson</td>
<td>P-T Inst., Home Economics</td>
<td>127.50</td>
<td>2-1-66--6-30-66</td>
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<tr>
<td>Donald W. Whisenhunt</td>
<td>Asst. Prof., History</td>
<td>750.00</td>
<td>9-1-66--6-30-67</td>
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<tr>
<td>Carol Disney</td>
<td>P-T Sec., Psychology</td>
<td>100.00</td>
<td>2-15-66--6-30-66</td>
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### VI. Study Centers -- First Semester 1965-66

<table>
<thead>
<tr>
<th>Name</th>
<th>Course</th>
<th>Place</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Gary Boggess</td>
<td>Mathematics 600</td>
<td>Clinton</td>
<td>$395.00</td>
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<tr>
<td>Donald Clemens</td>
<td>Education 653</td>
<td>Madisonville</td>
<td>444.00</td>
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<tr>
<td>Harlan Hodges</td>
<td>Education 653</td>
<td>Dixon</td>
<td>440.00</td>
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<tr>
<td>Hugh Noffsinger</td>
<td>Education 654</td>
<td>Madisonville</td>
<td>395.00</td>
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<tr>
<td>William Price</td>
<td>Mathematics 600</td>
<td>Paducah</td>
<td>400.00</td>
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<tr>
<td>William Ryan</td>
<td>Education 653</td>
<td>Paducah</td>
<td>400.00</td>
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<tr>
<td>Ralph Tesaneere</td>
<td>Psychology 693</td>
<td>Paducah</td>
<td>400.00</td>
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<tr>
<td>Gary Boggess</td>
<td>Mathematics 101</td>
<td>Madisonville</td>
<td>444.00</td>
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<tr>
<td>John Devine</td>
<td>Business 140</td>
<td>Madisonville</td>
<td>444.00</td>
</tr>
<tr>
<td>Franklin Fitch</td>
<td>Psychology 180</td>
<td>Madisonville</td>
<td>444.00</td>
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<tr>
<td>R. K. Fletcher, Jr.</td>
<td>Mathematics 101</td>
<td>Madisonville</td>
<td>444.00</td>
</tr>
<tr>
<td>William Franklin</td>
<td>Geography 122</td>
<td>Madisonville</td>
<td>444.00</td>
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<tr>
<td>Henry Towery</td>
<td>Business 140</td>
<td>Madisonville</td>
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VII. Night and Saturday Classes -- Second Semester 1965-66

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<tr>
<td>Amos Tackett</td>
<td>Agriculture 565</td>
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<tr>
<td>Gerald DeSchepper</td>
<td>Art 523</td>
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<tr>
<td>John Devine</td>
<td>Business 561</td>
<td>100.00</td>
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<tr>
<td>Robert Alsop</td>
<td>Education 522</td>
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<tr>
<td>Billie Downing</td>
<td>Education 532</td>
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<tr>
<td>Donald Hunter</td>
<td>Education 625</td>
<td>100.00</td>
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<tr>
<td>Eugène Russell</td>
<td>Education 651</td>
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<tr>
<td>William Ryan</td>
<td>Education 662</td>
<td>100.00</td>
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<tr>
<td>Hugh Noffsinger</td>
<td>Education 664</td>
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<td>Franklin Pitch</td>
<td>Education 674</td>
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<tr>
<td>John Meador</td>
<td>History 517</td>
<td>100.00</td>
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<tr>
<td>Kenneth Harrell</td>
<td>History 601</td>
<td>100.00</td>
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<tr>
<td>James Starti</td>
<td>History 605</td>
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<td>Resina Senter</td>
<td>Library Science 601</td>
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<tr>
<td>James Frank</td>
<td>Physical Education 550</td>
<td>100.00</td>
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<tr>
<td>Chad Stewart</td>
<td>Physical Education 610</td>
<td>100.00</td>
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<td>Frank Kodman, Jr.</td>
<td>Psychology 562</td>
<td>100.00</td>
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<tr>
<td>Donald Clemens</td>
<td>Psychology 687</td>
<td>100.00</td>
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<tr>
<td>Ralph Tesseneer</td>
<td>Psychology 690</td>
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<tr>
<td>Garrett Beshear</td>
<td>Education 320</td>
<td>350.00</td>
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VIII. Sabbatical Leave Requests

W. J. Pitman -- Biological Sciences
A. L. Hough -- English
Wayne M. Williams -- Education
Anne P. Markham -- English
Douglas Bolling -- English
Alice E. McCampbell -- History
Ann Herron -- Library
Russell Terhune -- Fine Arts
Eso Gunter -- Business
Christine S. Parker -- Mathematics
Garrett Beshear -- College High
John C. Williams -- Biological Sciences
William O. Price -- College High

IX. Board of Regents' Scholarship Recipients -- First Semester, 1965-66

Armstrong, William Robert
Asbell, John Clark
Balz, Bonnie Alice
Bennett, Brenda Chestine
Brawn, Marcin Louise
Branson, Betty Diane
Burr, Martha Rose
Call, William Loyd
Carnal, Janice
Conrad, Veloyce Gwen
Cox, Glenn David
Crawford, Hephzibah Effie
Crockett, Chryssandra Jean
Davis, Dana
Davis, Don Wayne
Davison, Betty Ann
Dillihay, Martha Virginia
Dowdy, Catherine Leslie
Dublin, Sharon Kay
Fowler, Mary Edith
Galloway, Chryssandra
Galyen, Wanda Diane
Greer, Michele Annette
Turner, Judith Kay
Warren, Judy Lane
Werner, Mary Beth

Goode, Beverly Ann
Goodman, Bonnie
Hamlin, Sherry
Hayden, Philip Gordon
Hiter, Almeda Brookes
Hopewell, Sandra Sue
Lamar, Patricia Kay
Legate, Marilyn Jean
Lloyd, Morris Dennis, Jr.
Maxberry, Gayla Joie
McDonald, Jane Marie
Messinger, Joyce Yvonne
Morgan, Judith Nan
Omer, William Keith
Pittman, Margaret Annie
Pritchett, Jerry Sue
Rodgers, Elizabeth Anne
Schak, Peggy Frances
Skees, James Helvin
Sowell, Jean
Stevens, Bobbie Sue
Stice, Charles Thomas
Wood, Mary Jane
Woodward, Sandra Ellen
Wynn, Larry Dale
X. Establish Department of Psychology

It is recommended that we separate psychology from education and the Department of Psychology be established with Dr. Frank Kodman, Jr. as Chairman effective June 1, 1966.

XI. Resolution Approving Loan Agreement with Housing and Home Finance Agency on Project CH-Ky-90 (D).

XII. Approval of Amendment to Loan Agreement with Housing and Home Finance Agency on Project CH-Ky-84 (D).

XIII. Increase Student Organization Fee

XIV. Change in Registration Fees

It has been recommended that we increase the Special Fee from $18.00 to $20.00 per semester, and I ask the Board's authorization to increase the out-of-state fee if the recommendation is approved by the Council on Public Higher Education.

XV. Land Acquisition

We recently purchased 5.66 acres of land located on North 12th Street from Hiram Tucker. This land known as the Henry Cunningham property was acquired for $21,500.

XVI. Authorization to Issue Consolidated Educational Buildings Revenue Bonds, Series C and D.

Requests have been sent to the United States Office of Education for loans as follows:

- Library: $344,000
- Addition to Educ. Bldg.: 391,000
- Administration: 981,000
- Science Building: 1,005,000

The reason for endeavoring to get these loans through the U.S. Office of Education is that if approved the interest rate is only 3%. We propose to issue the Government bonds in the amount of $2,721,000 as Series C.

The remainder of the bonds to be issued and sold to the general public will be known as "D" bonds. The bond resolution will be available for the Board Meeting.

XVII. Housing and Dining System

- (A) Trust Indenture
- (B) Notice of Sale

XVIII. Increase Board of Regents Scholarships from 55 to 65 at $75.00 per semester.

XIX. Report of the Thomas P. Norris Student Loan Fund

XX. Report of the National Defense Student Loan Fund


XXII. Other Matters that May Need to Come Before the Board.

A. HB 238 -- University status of Murray State College
B. Amend Contract with Corvette Lanes, Inc.
C. Possible increase in Student Employment rate.
D. Request of Dr. Mary E. Bell for a Leave of Absence
E. Designate member of Council on Higher Education

Respectfully submitted,
/s/ R. H. Woods
President

RHW:prd
Minutes of the Board Meeting held on October 16, 1965, Approved

Mr. Hart moved that the Board dispense with the reading of the Minutes of the Board Meeting held on October 16, 1965, and that the Minutes be approved as received. Mr. Springer seconded and the motion carried unanimously.

Report of the Committee on Credits, Certification, and Graduation, Approved

February 17, 1966

Board of Regents
Murray State College
Murray, Kentucky

Gentlemen:

As per the duties of the Committee on Credits, Certification and Graduation, we report as follows:

The following students have completed the requirements for their degrees, and we recommend their degrees be conferred as of January 31, 1966.

Bachelor of Science in Agriculture
Dennis Keith Ashworth
Bobby J. Bazzell
Hampton W. Brooks

Bachelor of Music
Joseph Routon, Jr.

Bachelor of Music Education
Ronald Marshlyn Hampton
Raymond Sanders James, Jr.

Bachelor of Science in Home Economics
Judy Calvin Blair
Kay Adams Kennedy
Sona Wilson Knight

Bachelor of Arts
Richard Francis Bieker
James Edward Copeland
Maurice Kirby Gordon, II
Dorothy Louise Hargrove
Dawne Wilson Hook

Bachelor of Science
Janice Fay Abbott
John Wayne Abbott
Mekki M. Al-Saadi
Frances Mildred Armstrong
Terry Lee Arndt
Shirley Patrick Atout
Andrew Azzarello
Larry Belew
Harold M. Bennett, Jr.
Jerry Douglas Bennett
Kelley Elliott Bennett
Richard L. Bennett
George Rigdon Benson
Robert A. Bird
John Frederick Birk
Roger D. Blackburn
Toni Burchett Bohannon

Harry Leroy Brubaker, Jr.
Robert Byron Dupriest
James Edward Halliday
Ann Clark Sapp
Judy Carolyn Thacker
Sharon Jo Poore
Nita Lois Springer
Nancy Ann Young
Bonita Shockey-Lykins
Mary Alice Mackey
Doris Mildred Moubray
Roman Richard Odwazny
Sara Alexander Penny
Leonard Thomas Braddock
Helen Below Brantley
Craig Stephen Brown
Johnny Max Brown
Mary Ann Crawford Carter
Kenton Clare Carver
Wilbert Garland Certain
Gailly Mowe Clines
Thomas Michael Cochran
Donald Outland Cook
Carole Grant Crouch
Robert E. Cundiff
Leland Paul Dale
Stephen Daniel Davidson
Gwendola M. Davis
Vera Darlene DeHaven
Michael Alan Donini
For those students making application for degrees to be granted at the end of the spring semester 1966, we recommend their degrees be granted as of May 30, 1966, providing they meet all the requirements pertaining thereto.

Sincerely yours,

/s/ Wilson Gantt, Chairman

Committee on Credits, Certification, and Graduation
Mr. Long moved that the foregoing Report of the Committee on Credits, Certification, and Graduation be accepted and that the approval be granted for degrees awarded on January 31, 1966, to persons listed in the Report.

Mr. Springer seconded and the motion carried unanimously.

Resignations, Accepted

Mr. Hart moved that the resignations of persons listed in Item III of the Agenda be accepted. Mr. Springer seconded and the motion carried unanimously.

Adjustments in Salary and Rank, Approved

Mr. Hall moved that the Board approve the adjustments in salary and rank as listed in Item IV of the Agenda upon the recommendation of the President.

Mr. Springer seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Employment, Approved

Mr. Long moved that the employment of persons listed in Item V of the Agenda be approved as recommended by President Woods.

Mr. Fall seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Study Centers -- First Semester 1965-66, Approved

Mr. Hall moved that the Board grant approval of the Study Centers for the first semester 1965-66 and the payment therefor as listed in Item VI of the Agenda.

Mr. Hart seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Night and Saturday Classes -- Second Semester 1965-66, Approved

Mr. Hall moved that the Board grant approval of the Night and Saturday Classes for the second semester 1965-66 and the payment therefor as listed in Item VII of the Agenda.

Mr. Hart seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Sabbatical Leave Requests, Approved

Mr. Springer moved that the requests for sabbatical leave for the summer of 1966, be approved as listed in Item VIII of the Agenda.

Mr. Hart seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Establishment of Department of Psychology, Approved

Mr. Long moved that in keeping with President Woods' recommendation that Psychology be separated from Education and be established as the Department of Psychology of the School of Education.

Mr. Fall seconded and the motion carried unanimously.

Resolution regarding Loan Agreement with Housing and Home Finance Agency on Project No. CH-Ky-90 (D), Approved.

Mr. Hall presented the following resolution and moved that it be adopted:
WHEREAS, the Board of Regents of Murray State College has authorized R. H. Woods, the President of the College to sign the Loan Agreement and other necessary documents in connection with Project No. CH-Ky-90 (D), and

WHEREAS, a Loan Agreement with the Housing and Home Finance Agency on Project No. CH-Ky-90(D), Contract No. H-302-2953, has been executed,

NOW, THEREFORE, BE IT RESOLVED THAT THE Board of Regents, Murray State College, accept the Loan Agreement, Contract No. H-302-2953, and herewith approve the action of the President of the College in affixing his signature to the Loan Agreement.

Mr. Springer seconded and the motion carried unanimously.

Resolution regarding the Amendment to Loan Agreement on Project No. CH-Ky-84 (D), Contract No. H-302-2750, with Housing and Home Finance Agency, Approved.

Mr. Fall presented the following resolution and moved that it be adopted:

WHEREAS, Murray State College has a Loan Agreement in the amount of $512,000 for Project No. CH-Ky-84 (D), Contract No. H-302-2750, and

WHEREAS, Murray State College is going to a Housing and Dining System, and

WHEREAS, a request has been made that we issue bonds of $5,000 denomination,

NOW, THEREFORE, BE IT RESOLVED that the Board approve the reduction of the loan from $512,000 to $510,000--a number divisible by $5,000.

BE IT FURTHER RESOLVED that the Board accept the amendment to the Loan Agreement and approve the action of the President of the College in affixing his signature to said amendment.

Mr. Long seconded and the motion carried unanimously.

Increase Student Organization Fee, Approved

After due consideration of the fee schedule at Murray State College, Mr. Hall moved that the Student Organization Fee be increased from $1.00 to $1.50 per semester. Mr. Springer seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Special Fee Increase, Approved

Mr. Long moved that in keeping with the President's recommendation that the Activity Fee be increased from $4.50 to $5.00 per semester, the Health Fee from $3.50 to $4.50 per semester, and the Student Organization Fee be increased from $1.00 to $1.50 as authorized by foregoing motion, and that the General Course Fee and Yearbook Fee remain as is, making a total special fee increase from $18.00 to $20.00 per semester; and further that the out-of-state fee be increased if such increase is approved by the Council on Public Higher Education.

Mr. Hart seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Land Acquisition, Approved

Mr. Fall moved that the Board approve the action of the President in purchasing the property known as the Henry Cunningham property for $21,500.

Mr. Hart seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Increase in number of Board of Regents' Scholarships, Approved

Mr. Hart moved that the Board approve the recommendation of the President that the number of Board of Regents' Scholarships be increased from 55 to 65 per academic year.

Mr. Springer seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.
Report of the Thomas P. Norris Student Loan Fund, Accepted

Mr. Blythe moved that the Board accept the Report of the Thomas P. Norris Student Loan Fund. Mr. Fall seconded and the motion carried unanimously.

Report of the National Defense Student Loan Fund, Accepted

Mr. Blythe moved that the Board accept the Report of the National Defense Student Loan Fund. Mr. Fall seconded and the motion carried unanimously.

Mr. Hart presented the following resolution and moved that it be adopted:

WHEREAS, the NDEA Student Loans have functioned most effectively, and
WHEREAS, no provision was made for funding the NDEA Loan Program by the Federal Government, and
WHEREAS, legislation has been considered and is being further considered to provide financing by the banks and loan companies,

NOW, THEREFORE, BE IT RESOLVED that we implore the Congress of the United States and the United States Office of Education to provide legislation with the forgiveness feature and other features heretofore available in the NDEA Student Loans regardless of the source of funds, and we respectfully request that the lending agencies deal with the individual colleges in providing the funds for student loans.

Mr. Springer seconded and the motion carried unanimously.

Report of the Business Manager, Approved

REPORT OF P. W. ORDWAY, BUSINESS MANAGER
TO THE PRESIDENT AND BOARD OF REGENTS OF
MURRAY STATE COLLEGE
February 19, 1966

The following report is submitted for the information and consideration of the President and Board of Regents of Murray State College.


Current General Funds

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Receipts</td>
<td>$2,797,029.17</td>
</tr>
<tr>
<td>Net Expenditures</td>
<td>$2,535,551.97</td>
</tr>
<tr>
<td>Balance Current General Funds</td>
<td>$ 261,477.20</td>
</tr>
</tbody>
</table>

Current Restricted Funds

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Receipts</td>
<td>$2,538,696.11</td>
</tr>
<tr>
<td>Net Current Expenditures</td>
<td>$ 954,897.99</td>
</tr>
<tr>
<td>Balance Current Restricted Funds</td>
<td>$1,583,798.12</td>
</tr>
</tbody>
</table>

Unexpended Plant Funds - Capital Construction

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriations &amp; Revenue Bonds</td>
<td>$13,082,283.04</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$10,035,889.83</td>
</tr>
<tr>
<td>Balance Unexpended Plant Fund</td>
<td>$3,046,393.21</td>
</tr>
<tr>
<td>TOTAL BALANCE OF ALL FUNDS</td>
<td>$4,891,668.53</td>
</tr>
</tbody>
</table>
MURRAY STATE COLLEGE
Financial Report for the period July 1, 1965 - December 31, 1965

## Current General Receipts:

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Student Fees</td>
<td>$716,061.00</td>
<td>$106,082.02</td>
<td>$609,979.98</td>
</tr>
<tr>
<td>B. State Appropriation</td>
<td>3,654,119.00</td>
<td>2,100,000.00</td>
<td>1,554,119.00</td>
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<tr>
<td>C. Miscellaneous</td>
<td>295,526.00</td>
<td>148,327.61</td>
<td>147,198.39</td>
</tr>
<tr>
<td>D. Organized Activities</td>
<td>31,000.00</td>
<td>24,495.70</td>
<td>6,504.30</td>
</tr>
<tr>
<td>E. Balance from Previous Year</td>
<td>397,281.00</td>
<td>397,226.89</td>
<td>4,11</td>
</tr>
<tr>
<td>Total Educational &amp; General</td>
<td>$5,093,987.00</td>
<td>$2,776,183.22</td>
<td>$2,317,803.78</td>
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</table>

## II. AUXILIARY ENTERPRISES

A. Housing

### Gross Current General Receipts

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Housing</td>
<td>$43,603.00</td>
<td>$21,718.45</td>
<td>21,884.55</td>
</tr>
<tr>
<td>B. Housing</td>
<td>43,603.00</td>
<td>21,718.45</td>
<td>21,884.55</td>
</tr>
<tr>
<td>C. Housing</td>
<td>138,953.00</td>
<td>56,094.45</td>
<td>82,858.55</td>
</tr>
</tbody>
</table>

**Net Current General Receipts**

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
</tr>
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</tr>
<tr>
<td>C. Housing</td>
<td>138,953.00</td>
<td>56,094.45</td>
<td>82,858.55</td>
</tr>
</tbody>
</table>

## Current General Expenditures:

### I. EDUCATIONAL AND GENERAL

A. Administrative

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Administrative</td>
<td>$134,460.00</td>
<td>$67,137.88</td>
<td>$67,322.12</td>
</tr>
<tr>
<td>B. General Expense</td>
<td>640,577.00</td>
<td>319,897.87</td>
<td>320,679.13</td>
</tr>
<tr>
<td>C. Instruction</td>
<td>2,480,938.00</td>
<td>1,158,195.78</td>
<td>1,322,742.22</td>
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<tr>
<td>D. Organized Activities</td>
<td>151,535.00</td>
<td>65,322.98</td>
<td>86,212.02</td>
</tr>
<tr>
<td>E. Library</td>
<td>232,747.00</td>
<td>66,461.87</td>
<td>166,285.13</td>
</tr>
<tr>
<td>F. Research</td>
<td>8,000.00</td>
<td>8,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>G. Public Service</td>
<td>43,575.00</td>
<td>20,525.77</td>
<td>23,049.23</td>
</tr>
<tr>
<td>H. Physical Plant</td>
<td>665,584.00</td>
<td>456,893.31</td>
<td>208,690.69</td>
</tr>
<tr>
<td>I. Murray College High</td>
<td>181,121.00</td>
<td>98,626.69</td>
<td>82,494.31</td>
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<tr>
<td>J. Agricultural Laboratories</td>
<td>63,975.00</td>
<td>49,246.45</td>
<td>14,728.55</td>
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<tr>
<td>Total Educational &amp; General</td>
<td>$4,602,512.00</td>
<td>$2,310,308.60</td>
<td>$2,292,203.40</td>
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</tbody>
</table>

### II. AUXILIARY ENTERPRISES

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
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</tr>
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<td>138,953.00</td>
<td>56,094.45</td>
<td>82,858.55</td>
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</tbody>
</table>

## Current Restricted Receipts and Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Actual</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Student Union Building</td>
<td>$573,377.55</td>
<td>$369,452.19</td>
<td>$203,925.36</td>
</tr>
<tr>
<td>II. Richmond Hall</td>
<td>$67,683.68</td>
<td>$10,422.83</td>
<td>57,260.85</td>
</tr>
<tr>
<td>III. Clark Hall</td>
<td>74,881.14</td>
<td>12,233.63</td>
<td>62,647.51</td>
</tr>
<tr>
<td>IV. College Court No. 1</td>
<td>72,100.27</td>
<td>13,500.00</td>
<td>58,600.27</td>
</tr>
<tr>
<td>V. College Court No. 2</td>
<td>57,562.25</td>
<td>16,188.38</td>
<td>41,373.87</td>
</tr>
<tr>
<td>VI. Woods Hall</td>
<td>115,130.88</td>
<td>26,910.37</td>
<td>88,220.51</td>
</tr>
<tr>
<td>VII. Franklin Hall and Cafeteria</td>
<td>583,696.38</td>
<td>425,613.56</td>
<td>158,082.82</td>
</tr>
<tr>
<td>VIII. Springer and Elizabeth Halls</td>
<td>196,008.42</td>
<td>1,387.00</td>
<td>194,621.42</td>
</tr>
<tr>
<td>IX. Consolidated Educational Buildings</td>
<td>798,255.54</td>
<td>79,190.03</td>
<td>719,065.51</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$2,538,696.11</td>
<td>$954,897.99</td>
<td>$1,583,798.12</td>
</tr>
</tbody>
</table>

## Unexpended Plant Funds - Capital Construction

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Account No.</th>
<th>Allotments</th>
<th>Charges</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Repairs</td>
<td>36-7-37-120</td>
<td>$58,780.26</td>
<td>$50,106.70</td>
<td>$8,673.56</td>
</tr>
<tr>
<td>Springer Hall</td>
<td>36-7-37-126</td>
<td>$910,494.20</td>
<td>898,918.27</td>
<td>11,575.93</td>
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<tr>
<td>Elizabeth Hall</td>
<td>36-7-37-133</td>
<td>1,320,508.00</td>
<td>1,286,786.05</td>
<td>33,721.95</td>
</tr>
<tr>
<td>Applied Science Building</td>
<td>36-7-37-134</td>
<td>1,881,680.07</td>
<td>1,854,961.00</td>
<td>26,719.07</td>
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<tr>
<td>Laboratory School Renov.</td>
<td>36-7-37-140</td>
<td>48,000.00</td>
<td>2,395.52</td>
<td>45,604.48</td>
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<tr>
<td>Addition to Library</td>
<td>36-7-37-141</td>
<td>825,241.00</td>
<td>773,080.54</td>
<td>52,160.46</td>
</tr>
<tr>
<td>Account Name</td>
<td>Account No.</td>
<td>Allotments</td>
<td>Charges</td>
<td>Balance</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------</td>
<td>------------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>New Nursing Facilities</td>
<td>36-7-37-142</td>
<td>$922,998.00</td>
<td>$35,271.30</td>
<td>$887,726.70*</td>
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<tr>
<td>New Administration Bldg.</td>
<td>36-7-37-143</td>
<td>57,620.00</td>
<td>37,392.68</td>
<td>20,227.32</td>
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<tr>
<td>Addition-Education Bldg.</td>
<td>36-7-37-144</td>
<td>698,331.51</td>
<td>661,061.69</td>
<td>37,269.82</td>
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<tr>
<td>Addition-Married Housing</td>
<td>36-7-37-145</td>
<td>563,000.00</td>
<td>508,596.49</td>
<td>54,403.51</td>
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<tr>
<td>Hart Hall</td>
<td>36-7-37-146</td>
<td>2,376,030.00</td>
<td>2,211,603.55</td>
<td>164,426.45</td>
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<tr>
<td>Men's Dorm No. 6</td>
<td>36-7-37-147</td>
<td>1,773,000.00</td>
<td>1,587,285.58</td>
<td>185,714.42</td>
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<tr>
<td>Women's Dorm No. 3</td>
<td>36-7-37-148</td>
<td>1,583,000.00</td>
<td>63,058.45</td>
<td>1,519,941.55**</td>
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<tr>
<td>Addition-Heating Plant</td>
<td>36-7-37-149</td>
<td>46,000.00</td>
<td>2,000.00</td>
<td>2,000.00ocr</td>
</tr>
<tr>
<td>Winslow Renovation</td>
<td>36-7-37-150</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Addition-Science Bldg.</td>
<td>36-7-37-151</td>
<td>16,600.00</td>
<td>16,600.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Master Campus Plan</td>
<td>36-7-37-152</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Totals: $13,082,283.04 $10,035,889.83 $3,046,393.21

* Contracts not received from Frankfort 1/12/66
** Contract not open 1/12/66

Statement of Operations
For the Period July 1, 1965-December 31, 1965

I. FARM
Receipts: $26,506.50

Expenditures:
- Salaries and Wages $16,196.63
- Veterinary and Testing 869.70
- Current Operating Expense 23,550.27
- Capital Outlay 8,629.85
Total Expenditures: $49,246.45

Expenditures exceeding receipts: $22,739.95

II. STUDENT UNION CAFETERIA - Statement of Operations for the period June 1, 1965 to November 30, 1965.

Receipts:
- Cash Received at Door $24,774.18
- Meal Tickets 207,098.47
- Sales to Snack Bar 746.28
Total Receipts: $232,618.93

Expenditures:
- Salaries and Wages $75,170.45
- Student Wages 6,709.95
- Food Products 111,536.08
- Utilities 2,400.00
- Laundry 138.76
- Office Supplies 133.26
- Other Supplies 6,478.61
- Other Current Expenses 1,200.77
Total Operating Expenses: $203,767.88
Profit for Period: $28,851.05
Net Equipment: 1,913.12
Net Profit: $26,937.93

Comparative Statements
- Period June 1 - Nov. 30, 1964 -- Profit $44,798.19
- Period June 1 - Nov. 30, 1963 -- Profit 35,086.92
- Period June 1 - Nov. 30, 1962 -- Profit 25,390.18

III. RECREATION ROOM - Statement of Operations for the period June 1 to Dec. 31, 1965

Receipts:
- Pool $8,291.00
- Vending Concessions 626.34
Total Receipts: $8,917.34

Expenditures:
- Salaries and Wages $2,609.40
- Other Current Expenses 865.00
Total Expenditures: $3,474.40
Profit for Period: $5,442.94
IV. SNACK BAR - Statement of Operations for the Period June 1, to December 31, 1965

**Receipts:**
- Snack Bar: $40,769.07
- Juke Box: 476.00
- Cigarette Machine: 4,250.35
- Candy Machine: 308.55
- Other: 130.40

**Total Receipts:** $45,934.37

**Expenditures:**
- Salaries and Wages: $18,521.89
- Student Wages: 612.45
- Merchandise for Resale: 20,096.63
- Other Current Expenses: 4,062.77

**Total Expenditures:** $43,293.74

**Profit for Period:** $2,640.63

Comparative Statements

**Period:**
- June 1 - Dec. 31, 1964: $7,231.07
- July 1 - Dec. 31, 1963: 6,275.73
- July 1 - Dec. 31, 1962: 1,210.51

**WINSLow CAFETERIA - Statement of Operations for the Period June 5 - November 30, 1965**

**Receipts:**
- Cash Received at Door: $8,776.42
- Meal Tickets: 157,424.75

**Total Receipts:** $166,201.17

**Expenditures:**
- Salaries and Wages: $52,906.87
- Student Wages: 3,981.30
- Food Products: 87,509.87
- Utilities: 900.00
- Laundry: 10.70
- Office Supplies: 43.57
- Other Supplies: 3,466.33
- China and Utensils: 8,826.13
- Other Expenses: 1,501.23

**Total Expenditures:** $159,146.00

**Profit for Period:** $7,055.17

Comparative Statements

**Period:**
- June 17 - Nov. 30, 1964: $27,382.03
- June 12 - Nov. 30, 1963: 7,677.24
- Sept. 14 - Nov. 30, 1962: 3,364.71

Respectfully submitted,
/s/ P. W. Ordway
Business Manager

MURRAY STATE COLLEGE
STATEMENT OF BONDED ACCOUNTS
As of December 31, 1965

I. Dormitory Revenue Bonds of 1955 - Woods Hall

**Revenue Account:**
- Cash: $88,197.51
- Operation & Maintenance Account: 193.04

**Bond & Interest Sinking Fund Account:**
- Cash: 4,431.18

**Investments:**
- U. S. Treas. Notes 8/15/66 4%: $63,000.00
- U. S. Treas. 4% 5/15/67 Notes: 28,000.00
- U. S. Treas. Notes 3-3/4% 8/15/67: 47,000.00
- U. S. Treas. Bonds 3-7/8% 5/15/68: 15,000.00

**Depository:**
- Peoples Bank, Murray
- Peoples Bank, Murray
- The Ky. Trust. Co.

Louisville, Ky.
Dormitory Depreciation Fund:
Cash $ 5,299.76 The Ky. Trust Co.
Investments: U. S. Treas. Notes 3-5/8% 2/15/66 40,000.00 Louisville, Ky.
Total Current Assets $291,121.49

Original amount of bond issue dated December 1, 1955, interest rate
2-3/4% final maturity date December 1, 1995 818,000.00
Bonds outstanding 705,000.00
Current Assets 291,121.49
Net debt 413,878.51
Amount due for ensuing 12 mo., bonds $16,000, int. $19,387.50 35,387.50

II. Student Union Revenue Bonds of 1957
Revenue Account:
Cash 192,905.15
Receivable from Treasurer of Ky. 133,000.00 $325,905.15 Peoples Bank
Bond & Interest Sinking Fund Account:
Cash 5,693.32 First National Lincoln Bank, Murray, Ky.
Investments:
U. S. Treas. Bills due 1/6/66 9,000.00
U. S. Treas. Bills 3-7/8% 11/15/68 70,000.00 $ 80,650.76 Citizens Fidelity
Building Maintenance & Equipment Reserve:
Cash 276.22 Bank & Trust Co.
U. S. Treas. Bills due 11/15/66 9,000.00
U. S. Treas. Bonds 4% 2/15/70 10,000.00 10,276.22
Total Current Assets $730,730.40 Citizens Fidelity

Original amount of bond issue dated November 1, 1957, interest
rate 2-7/8%, final maturity date November 1, 1997 $670,000.00
Bonds outstanding 606,000.00
Current Assets 730,730.40
Assets exceeding bonds outstanding 124,730.40
Amount due for ensuing 12 mo., bonds $12,000, interest $17,422.50 29,422.50

III. Dormitory Revenue Bonds dated February 1, 1960 - Richmond Hall
Revenue Account:
Cash $ 57,083.85 Bank of Murray
Bond & Interest Sinking Fund Account:
Cash $ 1,650.76 Murray, Ky.
Investments:
U. S. Treas. Bills due 1/6/66 9,000.00 Citizens Fidelity
U. S. Treas. Bills 3-7/8% 11/15/68 70,000.00 $ 80,650.76 Bank & Trust Co.
Building Maintenance & Equipment Reserve:
Cash 276.22 Louisville, Ky.
U. S. Treas. Bills due 11/15/66 9,000.00
U. S. Treas. Bonds 4% 2/15/70 10,000.00 10,276.22
Total Current Assets $148,010.83 Citizens Fidelity

Original amount of bond issue dated February 1, 1960, interest
rate 3-1/8%, final maturity date February 1, 2000 683,000.00
Bonds outstanding 669,000.00
Current Assets 148,010.83
Net debt 500,989.17
Amount due for ensuing 12 mo., bonds $11,000, interest $20,109.32 31,109.32
IV. Dormitory Revenue Bonds dated June 1, 1960 - Clark Hall

Revenue Account:
Cash $ 62,399.26
Bond & Interest Sinking Fund Account:
Cash $ 915.86

Investments:
U. S. Treas. Bills 5/26/66 9,000.00
U. S. Treas. Bonds 3-7/8% 11/15/68 60,000.00
U. S. Treas. Bonds 4% 10/1/69 94,915.86
Building Maintenance & Equipment Reserve:
Cash 616.23

Total Current Assets $165,431.35

Original amount of bond issue dated June 1, 1960, interest rate 3-1/8%, final maturity date June 1, 2000
Bonds outstanding
Current assets
Net debt
Amount due for ensuing 12 mo., bonds $12,000, interest $23,875.00

V. Student Housing Revenue Bonds of 1961 - Apartments

Revenue Account:
Cash $ 56,508.27
Bond and Interest Sinking Fund Account 21,618.11
Total Current Assets $ 78,126.38

Original amount of bond issue dated April 1, 1961, interest rate 3-1/2%, final maturity date April 1, 2001
Bonds outstanding
Current assets
Net debt
Amount due for ensuing 12 mo., bonds $6,000, interest $13,755

VI. Housing & Dining Hall Revenue Bonds of 1961 - Winslow Cafeteria and Franklin Hall

Revenue Account:
Cash $154,219.32
Bond & Interest Sinking Fund Account:
Cash 27,198.78

Investments:
U. S. Treas. Bills 2/24/66 $ 29,000.00
U. S. Treas. Notes 4% 8/15/66 103,000.00

Total Current Assets $284,418.10

Original amount of bond issue dated September 1, 1961, interest rate 3-1/4% - 3-1/2%, final maturity date September 1, 2001
Bonds outstanding
Total Assets
Net debt
Amount due for ensuing 12 mo., $20,000, interest $49,687.50

VII. Apartment Housing Revenue Bonds of 1962 - Apartments

Revenue Fund:
Cash $ 38,525.87
Bond & Interest Sinking Fund Account:
Cash 8,299.08

Total Current Assets $ 46,824.95

Original amount of bond issue dated September 1, 1962, interest rate 3-3/8%, final maturity date September 1, 2002
Bonds outstanding
Total Assets
Net debt
Amount due for ensuing 12 months, bonds $8,000, interest $15,525
VIII. Dormitory Revenue Bonds of 1963 - Elizabeth Hall & Springer Hall

Revenue Fund:
Cash 194,246.67
Bond & Interest Sinking Fund Account -Cash 352.49

Total Current Assets $194,599.16

Original amount of bond issue dated September 1, 1963, interest rate 3.35% - 3.375% final maturity date September 1, 2003
Bonds outstanding 2,100,000.00
Total Assets 194,599.16
Net debt 1,905,400.84
Amount due for ensuing 12 months, bonds $30,000, int. $70,811.25 100,811.25

IX. Consolidated Educational Buildings Revenue Bonds of 1961

Revenue Account:
Cash 713,316.39
Receivable from Treas. of Kentucky 81,500.00
Investments:
U. S. Treas. Notes 4% 5/15/66 70,000.00

Total Revenue Account 864,816.39

Series A
Bond & Interest Sinking Fund Account:
Cash 2,608.21
Investments:
U. S. Treas. Notes 4% 8/15/66 240,000.00
U. S. Treas. Notes 3-7/8% 2/15/66 130,000.00
U. S. Treas. Notes 4% 11/15/66 101,000.00
U. S. Treas. Notes 4-1/4% 5/15/67 11,000.00 482,000.00

Total Series A $484,608.21

Original amount of bond issue dated May 1, 1961, interest rate 3% - 4-1/8%, final maturity date May 1, 1986
Bonds outstanding $1,400,000.00
Current Assets 1,265,000.00
Net debt 484,608.21
Amount due for ensuing 12 months, bonds $40,000, interest $48,537.50 88,537.50

Series B
Bond & Interest Sinking Fund Account:
Cash 952.92
Investments:
U. S. Treas. Notes 3-7/8% 2/15/66 10,000.00
U. S. Treas. Bills 9/30/66 12,000.00
U. S. Treas. Notes 4% 11/15/66 19,000.00
U. S. Treas. Notes 4% 2/15/67 10,000.00 51,000.00

Total Series B. $51,952.92

Original amount of bond issue dated November 1, 1963, interest rate 3-1/4% - 3-7/8%, final maturity date May 1, 1994 $2,360,000.00
Bonds outstanding 2,335,000.00
Current Assets 51,952.92
Net debt 2,283,047.08
Amount due for ensuing 12 months, bonds $25,000, interest $86,626.25 111,626.25

MURRAY STATE COLLEGE
STATEMENT OF CASH TRANSACTIONS
BONDED BUILDING REVENUE ACCOUNTS
FOR THE PERIOD JULY 1, 1965 - DECEMBER 31, 1965

<table>
<thead>
<tr>
<th>Balance</th>
<th>Current Receipts</th>
<th>Disbursements</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 1965</td>
<td>Current</td>
<td></td>
<td>Dec. 31, 1965</td>
</tr>
<tr>
<td>1. Dormitory Revenue Bonds of 1955 - Woods Hall</td>
<td>$33,936.88</td>
<td>$81,171.00</td>
<td>$26,910.37</td>
</tr>
<tr>
<td>Revenue Fund</td>
<td>$33,936.88</td>
<td>$81,171.00</td>
<td>$26,910.37</td>
</tr>
<tr>
<td>Oper. &amp; Maintenance</td>
<td>193.04</td>
<td>.00</td>
<td>.00</td>
</tr>
</tbody>
</table>
2. Student Union Revenue Bonds of 1957 $ 76,006.53  $ 486,350.81  $369,452.19  $ 192,905.15
3. Dormitory Revenue Bonds of 2/1/60 - Richmond Hall 18,027.68  49,479.00  10,622.83  57,083.85
4. Dormitory Revenue Bonds of 6/1/60 - Clark Hall 12,553.39  62,079.50  12,233.63  62,399.26
5. Student Housing Revenue Bonds of 1961 - Apartments 10,650.66  59,357.61  13,500.00  56,508.27
6. Housing & Dining Hall Revenue Bonds of 1961 - Winslow Cafe. and Franklin Hall 9,260.29  570,572.59  425,613.56  154,219.32
7. Apartment Housing Revenue Bonds of 1962 - Apartments 19,814.19  34,900.06  16,188.38  38,525.87
8. Dormitory Revenue Bonds of 1963 - Elizabeth Hall & Springer Hall 57,706.17  137,927.50  1,387.00  194,246.67

Sub Total $238,148.83 $1,481,838.07 $875,707.96 $ 844,278.94

Total $391,152.08 $2,121,341.24 $954,897.99 $1,557,595.33

Submitted by:
/s/ James A. Rogers
Treasurer

Mr. Springer moved that the Report of the Business Manager be approved.

Mr. Long seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

HB 238--University Status of Murray State College

President Woods reported that House Bill 238 passed 83-0 on Wednesday, February 16, that the first reading in the Senate was Friday, the 18th, that it could have its second reading on Wednesday and be up for passage on Thursday. The Bill changes the name to Murray State University, provides freedom to offer work on master degrees and up to thirty hours above the Master's. It further changes the Council on Public Higher Education to consist of nine appointed lay members and designates that the College (and/or University) presidents will meet with the Board but with no vote. If passed, it will be ninety days after legislative session ends before the Bill becomes operative.

Mr. Long moved that the Board commend the House of Representatives of the General Assembly of Kentucky for its action on House Bill 238, and requests the Senate pass the Bill without amendment.

Mr. Hart seconded and the motion carried unanimously.

Contract with Corvette Lanes, Inc., Amended

Mr. Hart presented the following resolution and moved that it be adopted:

WHEREAS, it has been necessary to add another section in Physical Education 145, Bowling, for the 1965–66 Spring Semester, and

WHEREAS, Corvette Lanes, Inc. has indicated that this additional class is satisfactory to their organization,

NOW, THEREFORE, BE IT RESOLVED that the Agreement between Murray State College and Corvette Lanes, Inc., executed May 20, 1965, be amended to include Physical Education 145, Section 8, from 1:30 p.m. to 2:20 p.m., Tuesdays and Thursdays.

Mr. Hall seconded and the motion carried unanimously.
Possible Increase in Student Employment Rate

Mr. Springer moved that the Board authorize President Woods to increase the minimum rate to $1.00 per hour for the Student Employment/Work-Study Program if it becomes necessary.

Mr. Blythe seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Leave of Absence for Dr. Mary E. Bell, Extended

Mr. Hart moved that the Board, according to her request, extend Dr. Mary E. Bell's leave of absence from June 1, 1966, through August 31, 1966.

Mr. Long seconded and the motion carried unanimously.

Mr. Springer to Represent Board on Council on Higher Education

Mr. Hart moved that Mr. O. B. Springer represent the Board of Regents on the Council on Public Higher Education effective February 19, 1966.

Mr. Hall seconded and the motion carried unanimously.

Resolution Authorizing the Issuance of $2,721,000 Consolidated Educational Buildings Revenue Bonds, Series C, and $5,280,000 Consolidated Educational Buildings Revenue Bonds, Series D, of the Board of Regents of Murray State College, Adopted

SEE ATTACHMENT NO. 1

Resolution Approving Loan Agreement for Project No. 5-1525 (As Consolidated)

Mr. Fall presented the following resolution and moved that it be adopted:

WHEREAS, there has been filed with the U. S. Commissioner of Education by Murray State College (hereinafter called the "Applicant") an application for a loan under Title III of the Higher Education Facilities Act of 1963 to assist in the construction of a new addition to the Education Building, Science Building, Library Building, and a new Administration Building with necessary equipment, exterior utilities and site improvements, and the U. S. Commissioner of Education has tentatively offered to make the requested loan and has transmitted for consideration a proposed Loan Agreement, dated as of February 19, 1966; and

WHEREAS, the proposed Loan Agreement has been duly examined and considered in accordance with all applicable rules of procedure and legal requirements, and made a part of the records of the Board of Regents (herein called the "Board") of the Applicant; and

WHEREAS, it is deemed advisable and in the interest of the Applicant that the proposed Loan Agreement be accepted and its execution authorized;

NOW, THEREFORE, Be it resolved by the Board of Regents of Murray State College that the proposed Loan Agreement be and the same hereby is accepted without reservation or qualification.

BE IT FURTHER RESOLVED that R. H. Woods, President of the College, be and he is hereby authorized to execute the Loan Agreement, on behalf of the Applicant, and Patsy R. Dyer, Secretary of the Board of Regents be and she is authorized to attest the execution of the Loan Agreement and the proper officials of the Applicant are hereby authorized to take such further action as is necessary to provide for the construction of the Project, and to consummate the loan.

Mr. Blythe seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Resolution of the Board of Regents of Murray State College approving and accepting the Waiver No. 1 as to Project No. CH-Ky-90 (D) Tendered to the Board by the Department of Housing and Urban Development, in Substance Providing for the Establishment by the Board of a Housing and Dining System of Murray State College, and the Issuance of $12,670,000 of the Board's "Housing and Dining System Revenue Bonds," Series A to K, to be dated September 1, 1965, which Waiver No. 1 is in effect a Revised Loan Agreement

SEE ATTACHMENT NO. 2
Resolution of the Board of Regents of Murray State College, Murray, Kentucky, Providing for the Issuance and Sale of $12,670,000 of Murray State College Housing and Dining System Revenue Bonds, Series A to K; Authorizing the Escrowing of the Sum of $447,000 for the Purpose of Meeting the Principal and Interest Requirements as Same Fall Due on $447,000 of Privately Held Revenue Bonds of the College; Authorizing the prepayment by the College to the Department of Housing and Urban Development (or other appropriate agency) of the United States Government of the Sum of $17,000, to reduce the respective amounts of certain issues of outstanding bonds of the College held by DHUD so that the amounts of such outstanding issues of bonds will be rounded to multiples of $5,000; Authorizing the exchange of the $6,630,000 of Series A to H Bonds herein authorized for outstanding amounts, bearing interest at the same rates and bearing substantially similar maturities, such exchange to be effected unless, except and to the extent that any of said Series A to H Bonds shall be purchased by a Non-Governmental Purchaser thereof; Authorizing the Execution of a Trust Indenture Between the College and the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, securing said $12,670,000 of bonds; and providing for the advertisement for the Public Sale of Said $12,670,000 of Bonds, Series A to K.

SEE ATTACHMENT NO. 2

Transfer of Fund to Trust and Agency Account, Approved

Pursuant to and in addition to the foregoing, Mr. Long moved that the Board of Regents authorize the President, R. H. Woods, to transfer from the revenue accounts of the existing housing and dining bonds, funds not otherwise needed, to the Murray State College Trust and Agency Account at the appropriate time between this date and the closing date of the sale of $12,670,000 Housing and Dining System Revenue Bonds.

Mr. Hall seconded and the roll was called on the adoption of the motion with the following vote: Mr. Blythe, aye; Mr. Fall, aye; Mr. Hall, aye; Mr. Hart, aye; Mr. Long, aye; Mr. Springer, aye; and Dr. Sparks, aye.

Official Statement Regarding Housing and Dining System, Approved

Mr. Springer moved that the Board approve the publication of the following Official Statement in substantially this form for the Housing and Dining System Revenue Bonds, Series A to K, dated September 1, 1965.

SEE ATTACHMENT NO. 3

Mr. Hall seconded and the motion carried unanimously.

Meeting Adjourned to Convene on March 9, 1966

Upon motion of Board Member Long, seconded by Board Member Fall, and unanimously adopted, the meeting was adjourned to convene again at the same place on March 9, 1966, at 11:00 o'clock in the forenoon, Central Standard Time, principally for the purpose of receiving and taking action upon such purchase bids as may then be received for the $2,721,000 "Consolidated Educational Buildings Revenue Bonds, Series C," and the $5,280,000 "Consolidated Educational Buildings Revenue Bonds, Series D," but also for the purpose of transacting any other business which may come before the Board at that time.

Chairman

Secretary
This page has been left blank due to the attachments to the meeting of February 19, 1966.

Chairman

Secretary
EXCERPTS FROM THE MINUTES OF A REGULAR QUARTERLY MEETING OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE, MURRAY, KENTUCKY, HELD ON FEBRUARY 19, 1966

The Board of Regents of Murray State College, Murray, Kentucky, convened in regular quarterly session pursuant to KRS 164.340 in the office of the President of the College in the Administration Building on the campus of the College at Murray, Kentucky, on February 19, 1966, at the hour of 10:00 A.M., Central Standard Time.

Chairman Harry M. Sparks was in the Chair presiding, and upon call of the roll, the following answered present: Max J. Blythe, J. Ernest Fall, Jr., C. H. Hall, George Hart, Bob T. Long, and O. B. Springer.

Absent: 

Also present were Dr. Ralph Woods, President of the College, and Patsy R. Dyer, Secretary of the Board.

* * * *

(Other Business)

* * * *

The President of the College reminded the Board that in accordance with actions previously taken, and subsequently approved by the Commissioner of Finance of the Commonwealth, the Board had determined to undertake a building program relating to educational buildings and appurtenances for academic purposes such as would constitute parts of the previously created and established "Consolidated Educational Buildings Project" of the Board, the same consisting of (1) a new library building which will serve to enlarge and complete the existing Library Building, (2) a new building which will serve to enlarge and complete the existing Education Building, (3) a new Administration Building, (4) a new building which will serve to enlarge and complete the existing Science Building, (5) a new building to house classrooms and laboratories for the Department of Nursing, (6) a new building which will serve to enlarge and complete
College High (which is operated by the Board as a part of the teacher training program of the Education Department), (7) reconstruction of the existing College High Building to bring the same up to date and make the same adequate for modern educational purposes, (8) reconstruction of the existing Administration Building in order to convert the same into suitable classroom and office space for various departments, (9) a new building which will provide for the enlargement and completion of the existing Farm Shop, (10) a new building to house facilities of an Educational TV Broadcasting Center, (11) a new building to house a Marine Biological Station, and (12) the provision of additional heating plant and other utility appurtenances made necessary by the addition to the existing plant of the College of the aforesaid building undertakings hereinbefore enumerated.

The President further reminded the Board that in accordance with determinations previously made and approved, and applications submitted to and approved by appropriate agencies of the United States Government, the aggregate of the estimated costs of the aforesaid educational buildings and appurtenant facilities is to be provided from the following sources:

(a) $1,292,590 from the allocated portion of Murray State College of the $176,000,000 General Obligation Bonds of the Commonwealth, as proposed by Chapter 188 of the Acts of the General Assembly of Kentucky, Regular Session of 1964, and approved by the voters of the Commonwealth on November 2, 1965;

(b) $576,748 from a grant applied for and obtained from Public Health Service of the United States Department of Health, Education and Welfare toward the costs of the Nursing Building project;

(c) The aggregate amount of $1,294,113 applied for and obtained from the United States Department of Health, Education and Welfare toward
the new Library Building project, the new Education Building project, and the new Science Building project;

(d) The aggregate amount of $2,721,000 representing loans applied for and approved by the United States Department of Health, Education and Welfare toward the costs of the new Library Building project, the new Education Building project, the new Administration Building project, and the new Science Building project (the same to be represented by the Board's authorization and offering at public sale of its "Consolidated Educational Buildings Revenue Bonds, Series C"); and

(e) The sum of $5,280,000 to be obtained by the Board from the authorization and public offering of its "Consolidated Educational Buildings Revenue Bonds, Series D," for the purpose of providing all costs of said enumerated building undertakings and appurtenant facilities, except to the extent funds are available from the other sources hereinabove listed.

The President further explained that the Fiscal Agents employed by the Department of Finance of the Commonwealth on behalf of the Board in connection with the authorization and public offering of the Board's proposed $2,721,000 "Consolidated Educational Buildings Revenue Bonds, Series C," and $5,280,000 "Consolidated Educational Buildings Revenue Bonds, Series D," had caused to be prepared by Grafton, Ferguson, Fleischer & Harper, Bond Counsel, of Louisville, Kentucky, a proposed form of resolution suitable for adoption by the Board in the authorization and public offering of such bonds, together with other instruments and documents relating thereto.

Mimeographed copies of the proposed resolution authorizing Consolidated Educational Buildings Revenue Bonds, Series C, in the amount of $2,721,000, and Series D, in the amount of $5,280,000, in
form prepared by its Bond Counsel and approved by the Fiscal Agents, were circulated for examination by the members of the Board.

Thereupon Board Member [Name] introduced, caused to be read in full and moved suspension of all rules and immediate adoption of the following resolution:
A RESOLUTION AUTHORIZING THE ISSUANCE OF $2,721,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES C, AND $5,280,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D, OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE

WHEREAS, the Board of Regents of Murray State College, by Resolution entitled:

"A RESOLUTION creating and establishing a Consolidated Educational Buildings Project of the Murray State College; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Regents of the Murray State College; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolutions in conflict with this resolution."

adopted April 28, 1961 (hereinafter referred to as the "Resolution") has created and established an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Regents of Murray State College (the "Bonds"); and

WHEREAS, the Resolution authorizes the issuance by said Board of said Bonds in one or more series pursuant to a resolution authorizing such series; and by a certain resolution adopted on April 28, 1961 (the "Series A Resolution") said Board authorized the issuance of the initial series, being $1,400,000 "Consolidated Educational Buildings Revenue Bonds, Series A," dated May 1, 1961 (the "Series A Bonds"), and the same were thereafter sold and delivered; and by a certain resolution adopted November 29, 1963 (the "Series B Resolution") said Board authorized the issuance of $2,360,000 of such Bonds, Series B, dated November 1, 1963, and the same were thereafter sold and delivered; and at the time of the delivery of the Series C Bonds and Series D Bonds (hereinafter authorized) there will remain outstanding and unpaid such Series A Bonds in the amount of $1,265,000, and such Series B Bonds in the amount of $2,335,000, without default, and without deficiency in amounts required
by the Resolution and the Series A Resolution and the Series B Resolution to be paid into the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (the "Bond Fund"); and

WHEREAS, the Board has determined that it is in the best interests of the Board to undertake the erection and completion of twelve (12) new educational buildings with necessary appurtenances, which buildings will become and constitute a part of the Consolidated Educational Buildings Project; at an aggregate estimated cost (including payments to contractors, the fees of architects and engineers and other necessary incidental costs, an adequate allowance for unforeseen contingencies, etc.) of $11,164,451.00; and the Board proposes to provide such aggregate sum from the following sources:

(a) The sum of $1,292,590.00 from Murray State College's allocated amount ($1,476,000.00) of the $37,000,000 "Commonwealth of Kentucky General Obligation Various Purposes Bonds of 1965" submitted to the voters of the Commonwealth at an election held on November 2, 1965, pursuant to Chapter 188 of the Acts of the General Assembly of Kentucky, Regular Session of 1964 -- which "General Obligation Various Purposes Bonds of 1965" were sold by the State Property and Buildings Commission at public sale on January 12, 1966, and are currently scheduled to be delivered to the purchasers thereof on February 24, 1966, so that the Board is presently assured of the availability of its allocated share thereof, and may appropriate a portion of the same, as hereinafter provided;

(b) The sum of $576,748.00 applied for and obtained as a grant from the Public Health Service, Department of Health, Education and Welfare of the United States, pursuant to the Health Professions Educational Assistance Act of 1963 (P.L. 88-129);

(c) The sum of $1,294,113.00 applied for and obtained as grants from the United States Department of Health, Education and Welfare
under the Higher Education Facilities Act of 1963, as amended by an Act of 1965;

(d) The sum of $2,721,000.00 applied for and obtained pursuant to one or more Loan Agreements with the United States Department of Health, Education and Welfare under said Higher Education Facilities Act of 1963, as amended (such amount to be represented by the Series C Bonds hereinafter authorized and which are to be offered at public sale subject to the terms and conditions of said Loan Agreement or Loan Agreements); and

(e) The net proceeds of the Series D Bonds hereinafter authorized (taking into account the discount hereinafter allowed for purchase bids relating thereto) which are to be offered at public sale without any purchase guarantee from any governmental agency; and

WHEREAS, it has been ascertained that the average of the annual Revenues from the Consolidated Educational Buildings Project (the "Project"), for the two Fiscal Years immediately preceding the proposed issuance of the Series C Bonds and the Series D Bonds (being the income derived by the Board of the College during the two Fiscal Years immediately preceding such issuance, from the source established in the Resolution for the Revenues of the Project, as specifically permitted by the provisions of Section 7.10 of the Resolution), as adjusted in the authorized manner, was equal to more than 1.25 times the maximum Aggregate Principal, Interest and Bond Fund Charges (a defined term), in any succeeding twelve-month period ending May 1, on the Series A Bonds, the Series B Bonds, and the Series C Bonds and Series D Bonds, hereinafter authorized, and a statement to that effect will be filed with the Trustee by the Treasurer of said Board prior to the time of issuance of the Series C Bonds and the Series D Bonds, thereby complying with the conditions and restrictions set forth in Section 7.10 of the Resolution permitting the issuance of Bonds ranking on a basis of parity and equality with the
Series A Bonds and the Series B Bonds as to security and source of payment, and in all other respects,

NOW, THEREFORE, the Board of Regents of Murray State College hereby resolves, as follows:

ARTICLE I - Definitions and Authority.

Section 1.01. This resolution (hereinafter referred to as the "Series C and Series D Resolution") is adopted in accordance with Article II, Section 2.03, of the Resolution.

Section 1.02.

(A) All terms which are defined in Article I of the Resolution shall have the same meanings, respectively, in this Series C and Series D Resolution as such terms are given in said Article of the Resolution.

(B) In this Series C and Series D Resolution, Series C Bonds and Series D Bonds shall mean the Bonds authorized by Article II of this Series C and Series D Resolution.

Section 1.03. This Series C and Series D Resolution is adopted pursuant to the provisions of Section 162.340, et seq., of the Kentucky Revised Statutes and the Resolution.


Section 2.01. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board of Regents of Murray State College, in its corporate capacity, a series of Bonds in the aggregate principal amount of Two Million Seven Hundred Twenty-one Thousand Dollars ($2,721,000). Such Bonds shall be designated as "Murray State College Consolidated Educational Buildings Revenue Bonds, Series C." Said Series C Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution. The Board hereby represents that the conditions prescribed in Section 7.10 of the Resolution will have been complied with before the
time of the issuance of the Series C Bonds, and that the Series C Bonds are issued on a basis of parity with the Series A Bonds, the Series B Bonds, and the Series D Bonds hereinafter authorized.

Section 2.02. Said Series C Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing educational buildings with necessary appurtenances upon the property of the College in Calloway County, Kentucky, consisting of a new library building to enlarge and complete the existing Library Building, a new building to enlarge and complete the present Education Building, a new building which will constitute the new Administration Building, and a new building which will serve to enlarge and complete the existing Science Building, all of which, when erected and completed will become and constitute parts of the Consolidated Educational Buildings Project of said College.

Section 2.03. The Series C Bonds shall be dated April 1, 1966, and bear interest payable semiannually on May 1 and November 1 of each year, commencing May 1, 1966, at a coupon rate or coupon rates such that the average net interest cost to the Board will not exceed three per cent (3%) per annum, as provided in the said Loan Agreement or Loan Agreements with the United States Department of Health, Education and Welfare, the exact rate or rates of interest for said Series C Bonds to be fixed as a result of advertised sale and competitive bidding for said Series C Bonds, as hereinafter provided. Said Series C Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<table>
<thead>
<tr>
<th>BONDS NUMBERED (Inclusive)</th>
<th>PRINCIPAL AMOUNT</th>
<th>DATE OF MATURITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$ 1,000 )</td>
<td>May 1, 1971 )</td>
</tr>
<tr>
<td>2-15</td>
<td>70,000 )</td>
<td>May 1, 1971 )</td>
</tr>
<tr>
<td>16-29</td>
<td>70,000</td>
<td>May 1, 1972</td>
</tr>
<tr>
<td>30-44</td>
<td>75,000</td>
<td>May 1, 1973</td>
</tr>
<tr>
<td>45-59</td>
<td>75,000</td>
<td>May 1, 1974</td>
</tr>
<tr>
<td>60-75</td>
<td>80,000</td>
<td>May 1, 1975</td>
</tr>
</tbody>
</table>

(Murray; Series C & Series D)
<table>
<thead>
<tr>
<th>BONDS NUMBERED (Inclusive)</th>
<th>PRINCIPAL AMOUNT</th>
<th>DATE OF MATURITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>76-91</td>
<td>$80,000</td>
<td>May 1, 1976</td>
</tr>
<tr>
<td>92-108</td>
<td>85,000</td>
<td>May 1, 1977</td>
</tr>
<tr>
<td>109-125</td>
<td>85,000</td>
<td>May 1, 1978</td>
</tr>
<tr>
<td>126-143</td>
<td>90,000</td>
<td>May 1, 1979</td>
</tr>
<tr>
<td>144-161</td>
<td>90,000</td>
<td>May 1, 1980</td>
</tr>
<tr>
<td>162-180</td>
<td>95,000</td>
<td>May 1, 1981</td>
</tr>
<tr>
<td>181-200</td>
<td>100,000</td>
<td>May 1, 1982</td>
</tr>
<tr>
<td>201-220</td>
<td>100,000</td>
<td>May 1, 1983</td>
</tr>
<tr>
<td>221-241</td>
<td>105,000</td>
<td>May 1, 1984</td>
</tr>
<tr>
<td>242-262</td>
<td>105,000</td>
<td>May 1, 1985</td>
</tr>
<tr>
<td>263-284</td>
<td>110,000</td>
<td>May 1, 1986</td>
</tr>
<tr>
<td>285-307</td>
<td>115,000</td>
<td>May 1, 1987</td>
</tr>
<tr>
<td>308-330</td>
<td>115,000</td>
<td>May 1, 1988</td>
</tr>
<tr>
<td>331-354</td>
<td>120,000</td>
<td>May 1, 1989</td>
</tr>
<tr>
<td>355-379</td>
<td>125,000</td>
<td>May 1, 1990</td>
</tr>
<tr>
<td>380-405</td>
<td>130,000</td>
<td>May 1, 1991</td>
</tr>
<tr>
<td>406-431</td>
<td>130,000</td>
<td>May 1, 1992</td>
</tr>
<tr>
<td>432-458</td>
<td>135,000</td>
<td>May 1, 1993</td>
</tr>
<tr>
<td>459-486</td>
<td>140,000</td>
<td>May 1, 1994</td>
</tr>
<tr>
<td>487-515</td>
<td>145,000</td>
<td>May 1, 1995</td>
</tr>
<tr>
<td>516-545</td>
<td>150,000</td>
<td>May 1, 1996</td>
</tr>
</tbody>
</table>

Section 2.04. Said Series C Bonds shall be issued in coupon form, and shall be registrable as to principal only. Said Series C Bond No. 1 shall be in the denomination of $1,000.00; and said Series C Bonds numbered 2 and upwards shall be in the denomination of $5,000.00.

Section 2.05. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board of Regents of Murray State College, in its corporate capacity, a series of Bonds in the aggregate principal amount of Five Million Two Hundred Eighty Thousand Dollars ($5,280,000). Such Bonds shall be designated as "Murray State College Consolidated Educational Buildings Revenue Bonds, Series D." Said Series D Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution. The Board hereby represents that the conditions prescribed in Section 7.10 of the Resolution will have been complied with before the time of the issuance of the Series D Bonds, and that the Series D Bonds are issued on a basis of parity with the Series A Bonds, the Series B Bonds and the Series C Bonds.
Section 2.06. Said Series D Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing educational buildings with necessary appurtenances upon the property of the College in Calloway County, Kentucky, consisting of the aforesaid new library building which will serve to enlarge and complete the existing Library Building, the aforesaid new building which will serve to enlarge and complete the existing Education Building, the aforesaid new Administration Building, the aforesaid new building which will serve to enlarge and complete the existing Science Building, a building to house classrooms and laboratories for the Department of Nursing, a new building which will serve to enlarge and complete College High (which is operated by the Board as a part of the teacher training program of the Education Department), reconstruction of the existing College High Building to bring the same up to date and make the same adequate for modern educational purposes, reconstruction of the existing Administration Building in order to convert the same into suitable classroom and office space for various departments, a new building which will provide for the enlargement and completion of the existing Farm Shop, and a new building to house facilities of an Educational TV Broadcasting Center, a new building to house a Marine Biological Station, and the provision of additional heating plant and other utility appurtenances made necessary by the addition to the existing plant of the College of the twelve new building undertakings herein enumerated, all of which, when erected and completed will become and constitute parts of the Consolidated Educational Buildings Project of said College.

Section 2.07. The Series D Bonds shall be dated April 1, 1966, and bear interest payable semiannually on May 1 and November 1 of each year, commencing May 1, 1966, at a coupon rate or coupon rates not exceeding the statutory maximum of six per cent (6%) per annum, the exact rate or rates of interest for said Series D Bonds to be fixed as a result
of advertised sale and competitive bidding for said Series D Bonds, as hereinafter provided. Said Series D Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<table>
<thead>
<tr>
<th>BONDS NUMBERED (Inclusive)</th>
<th>PRINCIPAL AMOUNT</th>
<th>DATE OF MATURITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-35</td>
<td>$175,000</td>
<td>May 1, 1968</td>
</tr>
<tr>
<td>36-71</td>
<td>180,000</td>
<td>May 1, 1969</td>
</tr>
<tr>
<td>72-108</td>
<td>185,000</td>
<td>May 1, 1970</td>
</tr>
<tr>
<td>109-133</td>
<td>125,000</td>
<td>May 1, 1971</td>
</tr>
<tr>
<td>134-158</td>
<td>125,000</td>
<td>May 1, 1972</td>
</tr>
<tr>
<td>159-184</td>
<td>130,000</td>
<td>May 1, 1973</td>
</tr>
<tr>
<td>185-211</td>
<td>135,000</td>
<td>May 1, 1974</td>
</tr>
<tr>
<td>212-238</td>
<td>135,000</td>
<td>May 1, 1975</td>
</tr>
<tr>
<td>239-267</td>
<td>145,000</td>
<td>May 1, 1976</td>
</tr>
<tr>
<td>268-296</td>
<td>145,000</td>
<td>May 1, 1977</td>
</tr>
<tr>
<td>297-327</td>
<td>155,000</td>
<td>May 1, 1978</td>
</tr>
<tr>
<td>328-358</td>
<td>155,000</td>
<td>May 1, 1979</td>
</tr>
<tr>
<td>359-390</td>
<td>160,000</td>
<td>May 1, 1980</td>
</tr>
<tr>
<td>391-424</td>
<td>170,000</td>
<td>May 1, 1981</td>
</tr>
<tr>
<td>425-458</td>
<td>170,000</td>
<td>May 1, 1982</td>
</tr>
<tr>
<td>459-494</td>
<td>180,000</td>
<td>May 1, 1983</td>
</tr>
<tr>
<td>495-532</td>
<td>190,000</td>
<td>May 1, 1984</td>
</tr>
<tr>
<td>533-571</td>
<td>195,000</td>
<td>May 1, 1985</td>
</tr>
<tr>
<td>572-612</td>
<td>205,000</td>
<td>May 1, 1986</td>
</tr>
<tr>
<td>613-660</td>
<td>240,000</td>
<td>May 1, 1987</td>
</tr>
<tr>
<td>661-711</td>
<td>255,000</td>
<td>May 1, 1988</td>
</tr>
<tr>
<td>712-763</td>
<td>260,000</td>
<td>May 1, 1989</td>
</tr>
<tr>
<td>764-817</td>
<td>270,000</td>
<td>May 1, 1990</td>
</tr>
<tr>
<td>818-872</td>
<td>275,000</td>
<td>May 1, 1991</td>
</tr>
<tr>
<td>873-931</td>
<td>295,000</td>
<td>May 1, 1992</td>
</tr>
<tr>
<td>932-993</td>
<td>310,000</td>
<td>May 1, 1993</td>
</tr>
<tr>
<td>994-1056</td>
<td>315,000</td>
<td>May 1, 1994</td>
</tr>
</tbody>
</table>

Section 2.08. Said Series D Bonds shall be issued in coupon form, in the denomination of $5,000.00, and shall be registrable as to principal only.

Section 2.09. The principal of and interest on said Series C Bonds shall be payable in any coin or currency which at the time of the payment thereof shall be legal tender for the payment of debts due the United States of America; and the principal of and interest on said Series D Bonds shall be payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts at the principal office of Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky,
Trustee (or successor Trustee appointed pursuant to the provisions of the Resolution), or at the option of the holders of the respective Series C Bonds and Series D Bonds and coupons at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, which were in the Series A Resolution appointed Paying Agents for the Bonds, subsequently confirmed in the Series B Resolution, and are hereby confirmed as the Paying Agents for the Series C Bonds and the Series D Bonds.

Section 2.10. The Series C Bonds maturing May 1, 1977 and thereafter (being the Series C Bonds numbered 92 and upwards), and the Series D Bonds maturing May 1, 1977 and thereafter (being the Series D Bonds numbered 268 and upwards), shall each be subject to redemption by the Board in whole or from time to time in part in the inverse order of their respective maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1976, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<table>
<thead>
<tr>
<th>If Redeemed</th>
<th>Redemption Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>On and after May 1, 1976 and prior to May 1, 1981</td>
<td>103%</td>
</tr>
<tr>
<td>On and after May 1, 1981 and prior to May 1, 1986</td>
<td>102%</td>
</tr>
<tr>
<td>On and after May 1, 1986 and prior to May 1, 1991</td>
<td>101%</td>
</tr>
<tr>
<td>On and after May 1, 1991, but prior to final maturity</td>
<td>100-1/2%</td>
</tr>
</tbody>
</table>

Section 2.11. Said Series C Bonds and Series D Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Series C Bonds and Series D Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman and said Secretary.
Section 2.12. For the purpose of securing the payment of both the principal of and interest on all the Bonds (Series A Bonds, Series B Bonds, Series C Bonds, Series D Bonds, and any additional parity Bonds which may hereafter be issued and outstanding pursuant to the conditions and restrictions set forth in Section 7.10 of the Resolution), and to secure for the benefit of all the holders of said Bonds the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent as permitted and provided in the Resolution and in Sections 162.340, et seq., of the Kentucky Revised Statutes, Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, was designated in the Series A Resolution as Trustee under the Resolution for the holders of all of said Bonds, and such designation was reaffirmed in the Series B Resolution, and is now reaffirmed, with the powers and duties set forth in the Resolution and with no liability in connection with any action or omission to act under the Resolution except for its own negligence or willful breach of trust. Execution of the authentication certificate of the Trustee on each of the respective Series C Bonds and Series D Bonds shall conclusively establish the acceptance as to such Series C Bonds and Series D Bonds by the Trustee of the trusts and provisions with respect thereto as set forth in the Resolution.

Section 2.13. The Series C Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series C Bonds shall be in substantially the following respective forms, to-wit:
(FORM OF BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
MURRAY STATE COLLEGE
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND
SERIES C

No. _________ $_______

The Board of Regents of Murray State College, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of _____ Thousand Dollars (____,000.00) on the first day of May, 19___, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of ______ per cent (____% ) per annum, such interest being payable semiannually on the first days of May and November in each year, commencing May 1, 1966, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency which at the time of the payment thereof is legal tender for the payment of debts due the United States of America, at the principal office of the Trustee, Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, or, at the option of the holder hereof or of the interest coupons hereto appertaining, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred to as the "Bonds") issued and to be issued under and in full
compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Regents on April 28, 1961 (hereinafter referred to as the "Resolution"), and the Series C and Series D Resolution adopted by the Board of Regents on February 19, 1966.

As provided in the Resolution, the Bonds may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Revenue Bonds, Series C," (herein called the "Series C Bonds") issued in the aggregate amount of $2,721,000 under the Resolution for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said College (hereinafter referred to as the "Project"). Copies of the Resolution, the Series A Resolution, the Series B Resolution, and the Series C and Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is
one and for the provisions, among others, with respect to the custody
and application of the proceeds of the Bonds; the rights, duties and
obligations of said Board of Regents, and of the Trustee, and the rights
of the holders of the Bonds; and by the acceptance of this Bond, the
holder hereof assents to all of the provisions of the Resolution. Under
authority of the statutes pursuant to which this Bond is issued, this
Bond shall have all the qualities and incidents of a negotiable instru-
ment, and subject to the provisions for registration endorsed hereon and
contained in the Resolution, nothing contained in this Bond or in the
Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the
provisions of the Resolution or to institute action to enforce the
covenants therein, or to take any action with respect to any default
under the Resolution, or to institute, appear in or defend any suit or
other proceedings with respect thereto, except as provided in the Resolu-
tion. The Resolution provides for fixing, charging and collecting fees
for the services of said Project, which fees will be sufficient to pay
the principal of and the interest on said Bonds as the same become due
and to provide reserves for such purposes and also to pay the costs of
operation and maintenance of the Project to the extent the same are not
otherwise provided. The Resolution provides for the creation of a
special account designated "Consolidated Educational Buildings Project
Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for
the deposit to the credit of said Bond Fund of a fixed amount of the gross
Revenues of said Project to pay interest on the Bonds as the same become
due and to pay or retire the principal of the Bonds at or prior to the
maturity thereof, and to provide a reserve for such purpose, which Bond
Fund is pledged to and charged with the payment of said principal and
interest.

- 13 -

(Murray; Series C &
Series D)
The issue of Series C Bonds of which this Bond is one, the Series D Bonds simultaneously authorized and issued, and all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of Murray State College or of its Board of Regents or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series C Bonds maturing May 1, 1977, and thereafter (being the Bonds numbered 92 and upwards) shall be subject to redemption at the option of the Board of Regents in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1976, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<table>
<thead>
<tr>
<th>If Redeemed</th>
<th>Redemption Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>On and after May 1, 1976 and prior to May 1, 1981</td>
<td>103%</td>
</tr>
<tr>
<td>On and after May 1, 1981 and prior to May 1, 1986</td>
<td>102%</td>
</tr>
<tr>
<td>On and after May 1, 1986 and prior to May 1, 1991</td>
<td>101%</td>
</tr>
<tr>
<td>On and after May 1, 1991, but prior to final maturity</td>
<td>100-1/2%</td>
</tr>
</tbody>
</table>

In the event the Board of Regents shall exercise its option to redeem any of the Series C Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said
Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Regents at the office of the Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Regents, the Trustee, and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit, under the Resolution,
until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Regents and of said Murray State College, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Regents of Murray State College has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all being done as of the first day of April, 1966.

(Facsimile of Seal)  (Facsimile)
Chairman
Board of Regents
Murray State College

ATTEST:

(Full Signature)  
Secretary
Board of Regents
(FORM OF COUPON)

No. _____ $_____

On the first day of ________, 19__, *(unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Regents of Murray State College, at Murray, Kentucky, will pay to bearer ____________________ Dollars ($_____) in any coin or currency which at the time of payment thereof is legal tender for the payment of debts due the United States of America out of its "Consolidated Educational Buildings Project Bond and Interest Sinking Fund," at the principal office of Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, as provided in and for interest then due on its Consolidated Educational Buildings Revenue Bond, Series C, dated April 1, 1966, Number _____.

(Facsimile)
Chairman
Board of Regents
Murray State College

(Facsimile)
Secretary
Board of Regents

(* The phrase in parenthesis should appear only on coupons maturing on and after November 1, 1976, attached to Bonds numbered 92 to 545, inclusive.)

(FORM OF AUTHENTICATION CERTIFICATE)

This Bond is one of the Bonds described or provided for in the within-mentioned Resolution.

CITIZENS FIDELITY BANK AND TRUST COMPANY, TRUSTEE

By (Manual Signature) __________________________
Authorized Officer

- 17 - (Murray; Series C & Series D)
Section 2.14. The Series D Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series D Bonds shall be in substantially the following respective forms, to-wit:

**(FORM OF BOND)**

**UNITED STATES OF AMERICA**
**COMMONWEALTH OF KENTUCKY**
**MURRAY STATE COLLEGE**
**CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND**
**SERIES D**

No. _______

$5,000.00

The Board of Regents of Murray State College, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of Five Thousand Dollars ($5,000.00) on the first day of May, 19__, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of ______ per cent (_____%) per annum, such interest being payable semiannually on the first days of May and November in each year, commencing May 1, 1966, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may
accrue on and prior to the maturity date of this Bond to be paid only
upon presentation and surrender of the annexed coupons as they severally
mature, both principal and interest being payable in any coin or currency
of the United States of America which at the time of payment thereof is
legal tender for the payment of public and private debts, at the principal
office of the Trustee, Citizens Fidelity Bank and Trust Company, in the
City of Louisville, Kentucky, or, at the option of the holder hereof or
of the interest coupons hereto appertaining, at the principal office of

This Bond is one of a duly authorized issue of Bonds designated
as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred
to as the "Bonds") issued and to be issued under and in full compliance
with the Constitution and Statutes of the Commonwealth of Kentucky,
including among others, Sections 162.350 to 162.380, inclusive, of the
Kentucky Revised Statutes now in full force and effect, and under and
pursuant to the Resolution adopted by the Board of Regents on April 28,
1961 (hereinafter referred to as the "Resolution"), and the Series C and
Series D Resolution adopted by the Board of Regents on February 19, 1966.

As provided in the Resolution, the Bonds may be issued from
time to time pursuant to separate resolutions in one or more series, in
various principal amounts, may bear interest at different rates and may
otherwise vary as in the Resolution provided. The aggregate principal
amount of Bonds which may be issued under the Resolution is not limited
except as provided in the Resolution, and all Bonds issued and to be
issued under the Resolution are and will be equally secured by the pledges
and covenants made therein, except as otherwise expressly provided or
permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities
designated as "Consolidated Educational Buildings Revenue Bonds, Series D,"
(herein called the "Series D Bonds") issued in the aggregate amount of $5,280,000 under the Resolution for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said College (hereinafter referred to as the "Project"). Copies of the Resolution, the Series A Resolution, the Series B Resolution, and the Series C and Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of Regents, and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond or in the Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Resolution, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due.
and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on the Bonds as the same become due and to pay or retire the principal of the Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest.

The issue of Series D Bonds of which this Bond is one, the Series C Bonds simultaneously authorized and issued, and all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of Murray State College or of its Board of Regents or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series D Bonds maturing May 1, 1977, and thereafter (being the Bonds numbered 268 and upwards) shall be subject to redemption at the option of the Board of Regents in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1976, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:
If Redeemed Redemption Price
On and after May 1, 1976 and prior to May 1, 1981 103%
On and after May 1, 1981 and prior to May 1, 1986 102%
On and after May 1, 1986 and prior to May 1, 1991 101%
On and after May 1, 1991, but prior to final maturity 100-1/2%

In the event the Board of Regents shall exercise its option to redeem any of the Series D Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Regents at the office of the Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Regents, the Trustee, and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein
authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit, under the Resolution, until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Regents and of said Murray State College, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Regents of Murray State College has caused this Bond to be executed on its behalf by the repro-
duced facsimile signature of its Chairman, and the facsimile of its
corporate seal to be imprinted hereon, attested by the manual signature
of its Secretary, and the coupons hereto attached to be executed with
the facsimile signatures of said Chairman and Secretary, all being done
as of the first day of April, 1966.

(Facsimile)

Chairman
Board of Regents
Murray State College

ATTEST:

(Manual Signature)

Secretary
Board of Regents

(FORM OF COUPON)

No. _____ $ _____

On the first day of __________, 19__, *(unless the Bond to
which this coupon is attached shall have been duly called for prior
redemption and payment of the redemption price duly made or provided for)
the Board of Regents of Murray State College, at Murray, Kentucky, will
pay to bearer ________________ Dollars ($______) in any coin or
currency which at the time of payment thereof is legal tender for the
payment of public and private debts out of its "Consolidated Educational
Buildings Project Bond and Interest Sinking Fund," at the principal
office of Citizens Fidelity Bank and Trust Company, in the City of
Louisville, Kentucky, or, at the option of the holder hereof, at the
principal office of Chemical Bank New York Trust Company, in the City
of New York, as provided in and for interest then due on its Consoli-
dated Educational Buildings Revenue Bond, Series D, dated April 1, 1966,
Number ______.

(Facsimile)
Chairman
Board of Regents
Murray State College
Section 2.15. The Series C Bonds and the Series D Bonds shall be offered at public sale upon sealed bids which shall be opened and considered by the Board on the same day and at the same hour; and neither Series shall be awarded unless both are awarded. The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a notice of sale of the Series C Bonds and Series D Bonds to be published in The Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford state-wide notice of the sale, and in The Daily Bond Buyer, a financial journal published
in the City of New York, New York, which is a publication having general circulation among bond buyers, and said newspaper and financial journal are hereby declared to be qualified to publish such notices for the Board of Regents within the meaning and provisions of KRS Chapter 424. Such notices shall be published in said newspaper and financial journal at least once and shall appear not less than seven days nor more than twenty-one days prior to the scheduled date of sale of said Bonds. Such notices shall be in the customary form and shall specify that sealed competitive proposals for the purchase of such Series C Bonds and Series D Bonds shall be received at a designated place and until some day and hour when the Board will be in session.

The Series C Bonds shall be offered at not less than par and accrued interest, on the basis of consecutive full maturities beginning with the first maturity, at an average net interest cost to the Board not exceeding three per cent (3%) per annum for the Bonds offered to be purchased, and otherwise according to the terms of the Board's Loan Agreement or Loan Agreements with the United States of America.

The Series D Bonds shall be offered as a whole, at not less than ninety-eight per cent (98%) of par, plus accrued interest, with a maximum coupon rate of six per cent (6%) per annum and at an average net interest cost to the Board not exceeding six per cent (6%) per annum, and otherwise upon terms substantially the same as in the case of the offering of the Series C Bonds.

The right to reject any or all bids shall be expressly reserved. On the occasion set forth in such notice the Board shall consider all proposals made pursuant to such notice, and if acceptable bids are received, award the Series C Bonds and Series D Bonds in the manner and for the purposes herein provided, establish the interest coupon rate or rates which the Series C Bonds and Series D Bonds shall bear, and take
all other necessary and proper steps in the sale and issuance of the said Series C Bonds and Series D Bonds.

The Secretary may cause to be prepared multiple copies of a statement giving a more complete and particular description of the Series C Bonds and of the Series D Bonds, provisions for the security and payment thereof, disposition of bond proceeds and other information that it is not feasible to give within the limits of the published notice, and may furnish copies of such statement to all interested bidders upon request.

The Fiscal Agents having submitted a proposed form of "Notice of Sale of Bonds," proposed separate "Official Bid Forms" for the Series C Bonds and Series D Bonds respectively, and their draft of an "Official Statement" for the purpose of providing adequate information to prospective bidders, and the same having been examined by the President and Business Staff of the College, and by the Board; each of said instruments is hereby approved and the use thereof is hereby authorized in complying with the provisions of this Section 2.15.

Section 2.16. There is hereby established in the State Treasury of the Commonwealth of Kentucky a Construction Account to be designated "Murray State College Consolidated Educational Buildings Project - Bond Proceeds Series C and Series D Construction Account."

The Series C Bonds and the Series D Bonds shall be delivered to the respective purchasers thereof simultaneously (whether in one place or more than one place) against payment of the respective purchase prices according to the accepted bids; and immediately thereafter (or as soon thereafter as may be feasible) the Treasurer of the Board shall deposit in the Bond Fund (a) all sums received as accrued interest on the Series C Bonds, (b) all sums received as accrued interest on the Series D Bonds, and (c) additionally, from the proceeds of the Series C and/or Series D Bonds such a sum as shall cause the total amount so deposited in the Bond Fund to be

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(Murray; Series C & Series D)
equal to all interest which will accrue on all of the Series C Bonds and all of the Series D Bonds to May 1, 1967, computed at the respective applicable coupon rates.

The entire remaining balance of the proceeds of the Series C Bonds and the Series D Bonds shall be transmitted by the Treasurer to the Treasurer of the Commonwealth with the advice that the same is tendered for deposit in said Construction Account.

Additionally, there shall be deposited in said Construction Account, as soon as received from time to time, (a) the sum of $1,292,590 which the Board hereby appropriates from its allocated share of the General Obligation Bonds of the Commonwealth authorized and approved by the voters at an election held on November 2, 1965, pursuant to Chapter 188 of the Acts of the General Assembly of the Commonwealth, Regular Session of 1964; and the Board hereby authorizes and requests the Treasurer of the Commonwealth and the Commissioner of Finance of the Commonwealth to make such transfer and deposit, (b) the grant received by the Board from the Public Health Service of the United States Department of Health, Education and Welfare according to the Board's Application No. 1-J02-HM-00117-01 for the Nursing School Building, in the amount of $576,748 (subject to adjustment upon final audit as hereinafter provided), and (c) the aggregate sum of $1,294,113 received as grants from the United States Department of Health, Education and Welfare under the Higher Education Facilities Act of 1963, as amended -- being $275,241 for the new Library Building, $214,833 for the new Education Building, and $804,039 for the new Science Building and reconstruction of the existing Science Building (all subject to adjustment upon final audit as hereinafter provided).

The attention of the Commissioner of Finance of the Commonwealth, and of the Treasurer of the Commonwealth is directed to controlling laws,
rules and regulations of the United States with reference to the grants and loans above referred to, wherein it is contemplated that such grants and loans may initially be approved upon the basis of estimates of the costs of the various building projects to which the same are applicable; provided, however, that all such grants and/or loans are initially calculated and approved on the basis of estimates of such portions of the costs of each respective building undertaking as are initially assumed to be eligible under the controlling laws, rules and regulations, with provision that upon completion of each of such building undertakings there will be an audit of the actual costs thereof by the Agency of the United States Government from which the related grants and/or loans are obtained -- and that if upon such audit it shall be caused to appear that the actual final costs are less than the estimated costs as represented in the Board's application for such grants and/or loans then that the difference (if any) shall be subject to adjustments requiring a return thereof to the related United States governmental agency.

Accordingly, it is necessary, and is hereby so provided, that in the accounting for the disposition of the moneys in the aforesaid Construction Account the Commissioner of Finance and/or the Treasurer of the Commonwealth, as may be appropriate, shall keep separate records of the costs of each of the individual educational buildings undertakings (with necessary appurtenant facilities), in order that such required auditing may be made. In this connection it is understood and agreed that there is no prohibition against the commingling of all of the various deposits provided to be made into said Construction Account, but only that separate accounting procedures be observed, in order that such audits may be made.

In the event that it shall be disclosed by the audit or audits of the appropriate and related agencies of the United States Government concerning the governmental grants and/or loans that according to the
controlling laws, rules and regulations the amount contributed by the United States Government under such grants and/or loans are or have been in excess of that portion of the cost which is eligible for Federal financial assistance under the applicable laws, rules and regulations, the Board covenants and agrees that the same will be refunded to the United States Government from the aforesaid Construction Account, and authority for such refund or reimbursement is hereby given.

With due respect to the foregoing, the Treasurer of the Commonwealth is hereby authorized and requested to make disbursements from said Construction Fund according to such inspection, audit and disbursement procedures as may from time to time be provided by law, for the purpose of paying the costs of erecting and completing the educational buildings and necessary appurtenant facilities identified in this Series C and Series D Resolution in accordance with the approved plans and specifications therefor, and only upon certification of the Architect or Engineer having supervision of construction, as to each disbursement (and in the case of each building undertaking related to a grant or Loan Agreement with an agency of the United States Government, only with the additional approval of such agency, by a duly authorized representative thereof), that the amount thereof has been duly earned by and is payable to the designated party or parties for materials, services and/or labor furnished pursuant to a proper contract duly awarded therefor.

Disbursements from said Construction Fund relating to contracts duly made with the Fiscal Agents for their professional services in advice and other professional services in the presentation of the Series C and/or Series D Bonds for marketing purposes (including the assumptions by such Fiscal Agents of expenses incident thereto) shall not be subject to approval by such Architects or Engineers, and shall be chargeable solely to such amount deposited in said Construction Fund as may be
attributable otherwise than to loans or grants received from governmental agencies.

Otherwise than as specifically provided herein, any balance remaining in said Construction Account after the erection and completion of said educational buildings projects and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction of one or more additional educational buildings, which are or will be financed by issuance of additional Series Bonds pursuant to the Resolution, and which building or buildings constitute or will constitute a part of the Consolidated Educational Buildings Project, any such unexpended balance may be taken into account in determining the amount of Bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof, in which event such unexpended balance may, upon authority of the Board, be transferred to the Series Construction Account thereof.

Section 2.17. A certified copy of this Series C and Series D Resolution shall be filed with the Trustee, and this Series C and Series D Resolution shall take effect immediately upon its adoption and the filing of a certified copy hereof with the Trustee.

ADOPTED February 19, 1966.

Chairman
Board of Regents
Murray State College

ATTEST:

Secretary
The motion for the adoption of said resolution was seconded by Board Member Fall. After full discussion the Chairman put the question and upon call of the roll, the vote was recorded as follows:

Voting "Aye": Chairman Sparks, and Members Blythe, Fall, Hall, Hart, Long, and Springer.

Voting "Nay": None.

The Chairman then announced that said Resolution had been duly adopted and passed, signed the same, caused it to be attested under seal by the Secretary and announced that it was in full force and effect.

The President of the College circulated for examination mimeographed copies of (i) the "Notice of Sale of Bonds," (ii) the "Official Bid Form" for the said Bonds of Series C, and (iii) the "Official Bid Form" for the said Bonds of Series D, as prepared by Bond Counsel and approved by the Fiscal Agents. He further circulated, in draft form, the proposed "Official Statement" as prepared by the Fiscal Agents. After examination and discussion the same were unanimously approved by voice vote, without call of the roll.

The President of the College then reported that he had received telegraphic advice from the Congressman for this District that the HEW loans applied for, amounting in the aggregate to $2,721,000, had been approved. He further reported that the Loan Agreement had been received and upon examination had been shown to be in accordance with the several loan applications, in every respect. The President recommended that the Board take action at this time to authorize the execution of the same on behalf of the College either by the Chairman of the Board, the Vice Chairman of the Board, or the President of the College, attested under seal by the Secretary of the Board, and that the same be immediately returned to HEW for official signature on behalf of HEW, in
order that there might be a firm commitment to the Board on behalf of the United States Government for the tendering of a bid at public sale for the "Consolidated Educational Buildings Revenue Bonds, Series C," at par and accrued interest and at a single uniform interest rate of 3%, subject to acceptance by the Board of any bid or bids upon equal terms which may be received from private investors subject to the terms and conditions of the public offering of the Series C Bonds. Board Member _________ made a motion that such authority be given. Such motion was seconded by Board Member _________. After full discussion the Chairman put the question and upon call of the roll the vote thereon was unanimous; whereupon the Chairman declared that the motion had been duly carried and such authority had been duly conferred upon the officers designated in the President's recommendation.

* * * *

Upon motion of Board Member _________, seconded by Board Member _________, and unanimously adopted, the meeting was adjourned to convene again at the same place on March 9, 1966, at 11:00 o'clock in the forenoon, Central Standard Time, principally for the purpose of receiving and taking action upon such purchase bids as may then be received for the $2,721,000 "Consolidated Educational Buildings Revenue Bonds, Series C," and the $5,280,000 "Consolidated Educational Buildings Revenue Bonds, Series D," but also for the purpose of transacting any other business which may come before the Board at that time.

(SEAL)

Chairman
Board of Regents
Murray State College

ATTEST:

Secretary
CERTIFICATION

I, Patsy R. Dyer, Secretary of the Board of Regents of Murray State College, Murray, Kentucky, hereby certify that the foregoing is a true copy of all those portions of the Minutes of a Regular Quarterly Meeting of said Board of Regents, held on February 19, 1966, as are related to the authorization and sale of "Murray State College Consolidated Educational Buildings Revenue Bonds, Series C and Series D."

WITNESS my hand and the seal of said College, this 19th day of February, 1966.

Patsy R. Dyer
Secretary
Board of Regents
Murray State College
MINUTES OF A MEETING OF THE BOARD OF REGENTS
OF MURRAY STATE COLLEGE, MURRAY, KENTUCKY,
HELD ON February 14, 1966.

A regular, quarterly meeting of the Board of Regents of Murray
State College, was held on the 14th day of February, 1966,
at 10:00 A.M., C.S.T., in the office of the President of the College, on
the Campus of the College in the City of Murray, Kentucky. The following
members of the Board were present at the meeting:

Harry M. Sparks, Chairman
J. Ernest Fall
Max J. Blythe
George Hart
C. H. Hall
Bob Treas Long
O. B. Springer

The Secretary of the Board, Mrs. Patsy R. Dyer, was present and
duly recorded the Minutes. Also present was Dr. Ralph H. Woods, President
of the College.

It having been determined that a quorum was present for the
transaction of business and it appearing that the meeting was duly and
properly held, the Chairman called the meeting to order.

At this point, the President of the College suggested to the Chairman
of the Board that it might be in order for the Board to suspend its usual order
of business and to consider at this time the matter of a proposed "Waiver No. 1"
dated January 19, 1966, tendered to the College by the Department of Housing
and Urban Development of the United States of America, being Project No.
CH-KY-90(D)(Rev.), amending the previous Loan Agreement between the Government
and the College as to Project No. CH-KY-90(D) in order to provide that $12,670,000
of Bonds shall be issued for the purpose of refinancing certain outstanding Bonds
and for the purpose of financing the construction of certain new buildings on the
Campus, and providing for the consolidation of all financing of the Board's housing
and dining facilities and the combining and consolidating of all of such facilities
into a single "Murray State College Housing and Dining System," as provided in said
"Waiver No. 1," Board Member C. H. Hall then moved that these
matters be made the next order of business, which motion was seconded by Board
After full discussion, the Chairman put the question and the motion was unanimously carried.

Thereupon President Woods explained in general terms said Department of Housing and Urban Development (DHUD) "Waiver No. 1" and the business proposed to be transacted thereunder, and stated that certain documents had been prepared in advance by Mr. Joseph R. Rubin of the firm of Rubin & Trautwein, Bond Counsel, of Louisville, Kentucky, for appropriate action by this Board at this meeting.

He stated that said documents include a proposed new Trust Indenture contemplated to be made by the Board with Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, as Trustee, under date of September 1, 1965 (the 1965 Trust Indenture), together with all other appropriate proceedings. He stated that this 1965 Trust Indenture contemplates that previously existing conditions and restrictions with reference to the financing of additional housing and dining facilities would be relaxed and revised in such a manner as to facilitate the Board's undertaking of further financing of critically needed housing and dining facilities, appurtenances and related auxiliary enterprises. He stated that the DHUD has evidenced its agreement to same and that same has been duly approved and authorized by the Commissioner of Finance of the Commonwealth of Kentucky and by the State Property and Buildings Commission of the Commonwealth of Kentucky, and that the proposed proceedings are now before this Board for consideration at this meeting.

Thereupon, President Woods submitted for consideration the following instruments:

A. The "Waiver No. 1" tendered by the DHUD, with reference to Project No. CH-KY-90(D), which Waiver No. 1 is in effect a revised Loan Agreement designed to supersede three previous Loan Agreements, being for Project No. CH-KY-81(DS), Project No. CH-KY-84(D), and Project No. CH-KY-90(D), which three Loan Agreements were for new construction, and the refunding (by exchange agreement) of $6,630,000 of outstanding Bonds held by the DHUD, embodying in the aggregate a proposal that the Board (1) create a "Housing and Dining System" as above mentioned; (2) authorize and issue its $12,670,000 of "Housing and Dining System Revenue Bonds," consisting of the eleven separate Series of Revenue Bonds set out in Schedule C on page 23 of the 1965 Trust Indenture referred to; (3) prepay $17,000 to the DHUD on certain Bonds of the College now held by the DHUD; and (4) provide for the escrow of sufficient funds to meet the principal and interest requirements on $447,000 of outstanding privately held Bonds of the College.
B. Bond Counsel's draft of a proposed Resolution of the Board creating the aforesaid "Housing and Dining System," authorizing the issuance of $12,670,000 of "Murray State College Housing and Dining System Revenue Bonds," dated September 1, 1965, conforming to the specifications set forth in said Waiver No. 1; providing for the prepayment of said sum of $17,000 to the DHUD; and providing for the escrowing of sufficient funds to meet the principal and interest requirements of said $447,000 of Privately Held Bonds (which is the amount which will be outstanding on and after February 1, 1966), from funds of the Board which are on hand and available for such purposes.

C. Bond Counsel's draft of the proposed 1965 Trust Indenture between the College and the Citizens Fidelity Bank and Trust Company, authorizing the issuance of and providing for the security of said $12,670,000 of Bonds, which 1965 Trust Indenture is specifically approved in said proposed Resolution.

D. "Notice of Sale of Bonds" for the public offering of the $12,670,000 of Murray State College Housing and Dining System Revenue Bonds, Series A to K.

President Woods then pointed out that copies of all of said documents and a copy of the proposed Minutes of this meeting (with names and signatures not filled in) had been furnished in advance of this meeting to each of the members of the Board. Thereupon record was made of the fact that each member present acknowledged receipt of copies of each of said items and that he had read and studied each of said items. Thereupon the Chairman inquired as to whether any member of the Board or any person present at this meeting desired to have any of said instruments read aloud at this meeting, and it was unanimously agreed that such reading should be waived and that appropriate action be taken immediately on motions to approve all of such items by identification and caption and without reading the contents thereof aloud at this meeting.

After said presentation and explanation by President Woods, the various instruments and documents so tendered to the Board were in succession identified and made the subject of full discussion.

Thereupon, Board Member ___________ moved immediate adoption of a proposed resolution, which motion was seconded by Board Member ___________, said proposed resolution being as follows:

RESOLUTION OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE APPROVING AND ACCEPTING THE WAIVER NO. 1 AS TO PROJECT NO. CH-KY-90(D) TENDERED TO THE BOARD BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN SUBSTANCE PROVIDING FOR THE ESTABLISHMENT BY THE BOARD OF A HOUSING AND DINING SYSTEM OF MURRAY STATE COLLEGE, AND THE ISSUANCE OF $12,670,000 OF THE BOARD'S "HOUSING AND DINING SYSTEM REVENUE BONDS," SERIES A TO K, TO BE DATED SEPTEMBER 1, 1965, WHICH WAIVER NO. 1 IS IN EFFECT A REVISED LOAN AGREEMENT.
WHEREAS, the Department of Housing and Urban Development of the United States Government has tendered to the Board a certain "Waiver No. 1" dated January 19, 1966, which is in effect a proposed revised Loan Agreement, which the Board of Regents of the College deems advisable and for the best interests of the Board that same be accepted by the College,

NOW, THEREFORE, THE BOARD OF REGENTS OF MURRAY STATE COLLEGE, HEREBY RESOLVES AS FOLLOWS:

Section 1. That the Board hereby approves and accepts the "Waiver No. 1" which has been tendered to the Board by the Department of Housing and Urban Development as identified in the caption of this Resolution, acknowledges its familiarity with all of the terms and provisions thereof, in substance providing for the establishment by the Board of a Housing and Dining System of Murray State College, and the issuance of $12,670,000 of the Board's "Housing and Dining System Revenue Bonds," Series A to K, to be dated September 1, 1965, which Waiver No. 1 is in effect a revised Loan Agreement, and the Board hereby authorizes the President of the College and the Secretary of the Board to take all necessary action to evidence the Board's approval of said "Waiver No. 1."

Section 2. That this Resolution shall be in full force and effect from and after its adoption and approval.

Adopted and approved on February 19, 1966.

Full discussion followed, and the Chairman thereupon put the question, and upon call of the roll, the vote was recorded as follows:

Yeas for the Motion  
Harry M. Sparks, Chairman  
J. Ernest Fall  
Max J. Blythe  
George Hart  
C. H. Hall  
Bob Tress Long  
O. B. Springer

Nays against the Motion None

Whereupon, the Chairman declared that said motion had carried and that said Resolution had been duly adopted and was in full force and effect.

At this point and in the presence of the Board, the President of the College directed the Secretary of the Board to file said Waiver No. 1 in the official records of the Board.

Thereupon, Board Member introduced and moved immediate adoption of a proposed resolution, which motion was seconded by said resolution being properly identified and reading as follows:
RESOLUTION OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE, MURRAY, KENTUCKY, PROVIDING FOR THE ISSUANCE AND SALE OF $12,670,000 OF MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES A TO K; AUTHORIZING THE ESCRewing OF THE SUM OF $447,000 FOR THE PURPOSE OF MEETING THE PRINCIPAL AND INTEREST REQUIREMENTS AS SAME FALL DUE ON $447,000 OF PRIVATELY HELD REVENUE BONDS OF THE COLLEGE; AUTHORIZING THE PREPAYMENT BY THE COLLEGE TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (OR OTHER APPROPRIATE AGENCY) OF THE UNITED STATES GOVERNMENT OF THE SUM OF $17,000, TO REDUCE THE RESPECTIVE AMOUNTS OF CERTAIN ISSUES OF OUTSTANDING BONDS OF THE COLLEGE HELD BY THE DHUD SO THAT THE AMOUNTS OF SUCH OUTSTANDING ISSUES OF BONDS WILL BE ROUNDED TO MULTIPLES OF $5,000; AUTHORIZING THE EXCHANGE OF THE $6,650,000 OF SERIES A TO H BONDS HEREIN AUTHORIZED FOR OUTSTANDING BONDS OF THE COLLEGE HELD BY THE DHUD, IN THE SAME RESPECTIVE PRINCIPAL AMOUNTS, BEARING INTEREST AT THE SAME RATES AND BEARING SUBSTANTIALLY SIMILAR MATURITIES, SUCH EXCHANGE TO BE EFFECTED UNLESS, EXCEPT AND TO THE EXTENT THAT ANY OF SAID SERIES A TO H BONDS SHALL BE PURCHASED BY A NON-GOVERNMENTAL PURCHASER THEREOF; AUTHORIZING THE EXECUTION OF A TRUST INDENTURE BETWEEN THE COLLEGE AND THE CITIZENS FIDELITY BANK AND TRUST COMPANY, LOUISVILLE, KENTUCKY, SECURING SAID $12,670,000 OF BONDS; AND PROVIDING FOR THE ADVERTISEMENT FOR THE PUBLIC SALE OF SAID $12,670,000 OF BONDS, SERIES A TO K.

WHEREAS, as of February 1, 1966 (hereinafter referred to as the estimated closing date), the College will have outstanding $447,000 of Revenue Bonds held by non-governmental purchasers thereof (hereinafter referred to as the "Privately Held Bonds"), of certain Bond Issues payable from and secured by the revenues of certain existing housing and dining facilities of the College, and

WHEREAS, as of said estimated closing date, the College will also have outstanding a total of $6,647,000 of similar Bonds (hereinafter referred to as the "HHFA Bonds") held by the former Housing and Home Finance Agency, most of the functions of which have been taken over by the Department of Housing and Urban Development (hereinafter all references to the HHFA shall be deemed to refer to the former Housing and Home Finance Agency or the present Department of Housing and Urban Development, or other appropriate agency of the United States Government), and

WHEREAS, a more complete description and identification of said Previously Issued Bonds (consisting of said Privately Held Bonds plus said HHFA Bonds) is set forth in Section 203 of a certain proposed Trust Indenture between the College and the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, as Trustee (hereinafter referred to as the 1965 Trust Indenture), and

WHEREAS, the College has heretofore entered into certain additional Loan Agreements with the HHFA, in which it is contemplated that the College will issue and sell $6,040,000 of additional Revenue Bonds, to finance the cost (not otherwise provided) of the construction of new housing facilities as set out in detail in Section 205 of said 1965 Trust Indenture, and
WHEREAS, the College has further entered into a new revised Loan Agreement with the DHUD, in the form of a certain "Waiver No. 1," involving certain refunding, refinancing, and escrowing arrangements, contemplating the issuance of $12,670,000 of Bonds of the College on or after the estimated closing date, which would then constitute the only Bonds encumbering all of the housing and dining facilities of the College, which the College has agreed and now agrees in this Resolution, to combine and consolidate into a single "Murray State College Housing and Dining System," as set out in Section 206 of said 1965 Trust Indenture, and

WHEREAS, further recitals as to Bonds outstanding, the proposed method of dealing with such Bonds and the proposed authorization of $12,670,000 of Bonds to accomplish the present housing and dining purposes of the College, are set out in said 1965 Trust Indenture, particularly in the recital portion contained in ARTICLE II thereof, and

WHEREAS, the existing buildings used for educational purposes, and particularly for the purpose of meeting the housing and dining needs of the students of the College, are wholly inadequate, and it has heretofore been determined to be necessary that in addition to all other housing and dining facilities previously provided, the constantly growing enrollment of students, has created and will in the immediate future create a critical need and demand for additional housing and dining facilities as set forth in detail in Section 301 of said 1965 Trust Indenture, and

WHEREAS, in order to provide for the costs of such additional facilities (to the extent not otherwise provided), and to effect the financing thereof, it is necessary that the College take appropriate action to combine and consolidate all of its existing housing and dining facilities and to establish a single "Housing and Dining System" as provided in said Trust Indenture, thus enabling the aggregate income and revenues of the entire Housing and Dining System to become available for the financing purposes of the College, through a pledge of the GROSS Revenues of the housing facilities of the College and a pledge of the NET revenues of the dining facilities of the College (instead of the heretofore limited pledge of the NET revenues of ALL of said facilities), as now permitted by law and by the policy of the Department of Finance and of the State Property and Buildings Commission of the Commonwealth.
of Kentucky, and that the College now authorize the issuance of $12,670,000 of Murray State College Housing and Dining System Revenue Bonds, Series A to K, pursuant to the authority of Sections 162.340 to 162.380 of the Kentucky Revised Statutes,

NOW, THEREFORE, THE BOARD OF REGENTS OF MURRAY STATE COLLEGE HEREBY RESOLVES AS FOLLOWS:

Section 1. That this Board hereby authorizes the issuance of its "Murray State College Housing and Dining System Revenue Bonds," Series A to K, inclusive, dated September 1, 1965, according to statutory authority as set forth in KRS 162.340 to 162.380, inclusive, in the aggregate principal amount of $12,670,000, all as set forth and subject to the language, terms, provisions and conditions set forth in a certain proposed new "Trust Indenture" (the "1965 Trust Indenture") to be executed by this Board and Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, as Trustee; and reference is hereby made to the terms and provisions of said 1965 Trust Indenture for details relating to the Bonds secured thereby.

Section 2. In order to implement the authorization set forth in the foregoing Section 1 of this Resolution, this Board hereby approves the final and agreed draft of the new 1965 Trust Indenture proposed to be entered into by this Board with said Trustee, for the purpose of securing said $12,670,000 of Bonds, such final and agreed draft thereof being incorporated herein and hereinafter reproduced in full; and the proper officers of this Board are hereby authorized and directed to execute, acknowledge and deliver the same in the name of and on behalf of this Board, and to tender the same for execution and acknowledgement by the aforesaid Trustee, in accordance with the terms and provisions thereof.

Section 3. This Board hereby acknowledges official notice that at a meeting held on August 27, 1965, the State Property and Buildings Commission of the Commonwealth of Kentucky, upon the recommendation and with the concurrence of the Commissioner of Finance of the Commonwealth, all in conformity with the provisions of Chapter 56 of the Kentucky Revised Statutes, and in conformity with the provisions of that certain Resolution adopted in that connection by the State Property and Buildings Commission under date of August 27, 1965, duly approved and authorized the terms and provisions of
the Board's proposed Trust Indenture as hereinabove set forth for securing the aforesaid $12,670,000 of Bonds, specifically including the proposed covenants on the part of this Board and of the Commonwealth with regard to the payment from time to time of the costs of operating the Board's "Housing and Dining System" and of maintaining the same in an acceptable state of tenantability and repair during the entire life of any of the issued and outstanding Revenue Bonds of the Board in accordance with the terms and provisions of said 1965 Trust Indenture, to the extent that the Revenues of the aforesaid "Housing and Dining System" may at any time prove to be inadequate therefor, after first making provision for payment of the principal of and interest on any Revenue Bonds which may be issued and outstanding in accordance with the terms and provisions of the 1965 Trust Indenture herein authorized to be made with the aforesaid Trustee under date of September 1, 1965.

Section 4. By the adoption of this Resolution and the approval and authorization of the execution of said 1965 Trust Indenture with said Trustee, it is understood that this Board hereby authorizes any and all action on the part of this Board and of the proper officers of the College, for the purpose of implementing the same; and upon adoption of this Resolution the appropriate officers, parties and persons, are hereby authorized to take such action, from time to time, as provided in this Resolution and in the terms and provisions of the new 1965 "Trust Indenture" hereinbefore authorized, and it is acknowledged to be a part of this Resolution, with all of the terms and provisions thereof.

Section 5. The Board elects to provide for the payment of the principal of and interest on the outstanding (as of the estimated closing date) $447,000 of Revenue Bonds, consisting of $136,000 of 3-1/4% Housing and Dining Hall Revenue Bonds of September 1, 1961, $56,000 of 3-3/8% Apartment Housing Revenue Bonds of 1962, dated September 1, 1962, and $225,000 of 3.35% Dormitory Revenue Bonds of 1963, dated September 1, 1963, as and when the respective bonds and appurtenant coupons are scheduled to become due and payable, through the deposit of sufficient funds in escrow, with full provision for investment and security thereof in accordance with the provisions of, and as may be required by, the respective Trust Indentures pursuant to
which said Privately Held Bonds were issued, all as set out in Section 501 of the 1965 Trust Indenture hereinafter referred to. A sum sufficient for said purpose is hereby appropriated from moneys of the Board which are available, and, if that be insufficient, from moneys which have not previously been appropriated for other purposes. The President of the College and the Secretary of this Board are hereby authorized to enter into the appropriate Escrow Agreement or Agreements in form(s) and substance acceptable to Bond Counsel, with the Trustee(s) of the aforementioned Trust Indentures, or with either of same, by the terms and provisions of which said Trustee(s) shall acknowledge receipt thereof, and shall agree that as the same mature and are paid, the proceeds thereof (and the proceeds of investments and reinvestments, if applicable), will be applied solely to meet the then maturing principal and interest requirements of said Privately Held Bonds until such time as all of same have been paid, all as set out in Section 501 of the 1965 Trust Indenture. As and when said Privately Held Bonds have been retired, same shall be cancelled and destroyed and shall never be re-issued.

Section 6. That the erection and construction of Projects No. CH-KY-81(DS), CH-KY-84(D), and CH-KY-90(D) are hereby approved, all being scheduled to take place on the Campus of the College, according to the plans and specifications heretofore prepared and approved, and said buildings are hereby declared to be necessary for educational purposes of the College. Project No. CH-KY-81(DS) is described in general terms as comprising a new dormitory, with snack bar, bookstore, post office, recreation room and necessary appurtenant facilities, to house approximately 552 men students, said dormitory having been named "Hart Hall." Project No. CH-KY-84(D) is described in general terms as consisting of new married student apartments, containing 48 one-bedroom units, together with all necessary appurtenances, said project having been named "College Court III." Project No. CH-KY-90(D) is described in general terms as consisting of women's dormitory No. 3, to house approximately 300 women students, which has been given the name "Hester Hall," and men's dormitory No. 6, to house approximately 400 men students, which has been given the name "Bob White Hall."
Section 7. Effective simultaneously with the delivery of the $12,670,000 of "Murray State College Housing and Dining System Revenue Bonds," Series A to K, which are hereinafter authorized to be issued (whether by way of exchange with the HHFA for outstanding Bonds and/or upon delivery to the purchaser(s) at the public sale thereof, upon payment of the respective purchase prices), there is hereby established the "Murray State College Housing and Dining System," and the same shall consist initially of the existing housing, dining and student union buildings, appurtenant facilities and related auxiliary enterprises, identified as Woods Hall, Waterfield Student Union Building, Richmond Hall, Clark Hall, College Court I, Franklin Hall and Winslow Cafeteria, College Court II, Elizabeth Hall, Springer Hall, Wells Hall and Ordway Hall; (b) the proposed new Hart Hall, College Court III, Hester Hall and Bob White Hall, the construction and financing of which projects have been or are about to be undertaken; and (c) as said System may be added to in the future by including therein any other housing, dining and student union facilities or related auxiliary enterprises, all with necessary appurtenant facilities, in accordance with the provisions of said 1965 Trust Indenture.

Section 8. For the purposes hereinbefore and hereinafter set forth, and as set forth in said 1965 Trust Indenture, and to provide the costs thereof, not otherwise provided, there shall be and are hereby ordered issued by the Board of Regents of Murray State College its "Murray State College Housing and Dining System Revenue Bonds," Series A to K, in the aggregate principal amount of Twelve Million, Six Hundred Seventy Thousand Dollars ($12,670,000), dated September 1, 1965, subject to registration as to principal only, maturing on September 1 of each year of maturity, in the denomination of $5,000 each (if issued as coupon bonds), coupon bonds being payable to bearer, with coupons attached for the payment of interest on each March 1 and September 1 to maturity, the first coupon being due March 1, 1966, with any coupons maturing prior to delivery being detached and cancelled prior to delivery, and said bonds to be in substantially the form and in all respects conforming to the specifications and details set forth in said 1965 Trust Indenture.

Section 9. Said $12,670,000 of Bonds shall be issued pursuant to and shall be secured by said 1965 Trust Indenture between the Board of Regents
of Murray State College, party of the first part, and the Citizens Fidelity Bank and Trust Company, a combined bank and trust company, organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having full power to act as a corporate Trustee, and having its principal office and place of business in the City of Louisville, Kentucky, as Trustee (hereinafter sometimes called the "Trustee"), as the party of the second part. The Chairman and the Secretary of this Board of Regents are hereby authorized and directed to make, execute and deliver such Trust Indenture in substantially the form, text, terms and provisions hereinafter set forth, and this Board of Regents hereby approves, ratifies and confirms all of the covenants, provisions and stipulations as set out in such 1965 Trust Indenture; and the Bonds shall respectively mature and be subject to redemption as therein set out, and as follows, to wit:

(1965 TRUST INDENTURE IS ATTACHED IMMEDIATELY FOLLOWING THIS PAGE)
MURRAY STATE COLLEGE

HOUSING AND DINING SYSTEM REVENUE BONDS

DATED SEPTEMBER 1, 1965

IN THE AMOUNT OF $12,670,000

PROJECT CH-KY-90 (D) (REV.)

SEVENTH REVISED DRAFT

The latest draft as of January 8, 1966, is identified with all pages which have not been revised from the first draft containing no letter identification in the right hand corner and with the latest revised pages containing letters in the lower right hand corner as follows:

1(d), iii(c), 1(b), 2(c), 3(d), 4(c), 5(b), 7(d), 9(b), 12(b), 13(b),
15(b), 16(b), 18(b), 19(b), 21(b), 22(b), 25(d), 26(b), 29(b), 30(e),
31(b), 32(b), 33(b), 34(e), 35(e), 36(b), 36A and 37A have no letter,
38(b), 39(b), 41(c), 42(b), 44(b), 45(b), 46(b), 47(c), 53(b), 56(b),
61(d), 62(b), 66(b), 71(b), 73(d), 76(b), 83(b), 87(b), 87A(h), 88(b),
89(b), 90(c), 90A(b), and 101(b).
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TO
TRUST INDENTURE
DATED AS OF SEPTEMBER 1, 1965
MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BONDS
PROJECT CH-KY-90(D) (REV.)

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TRUST INDENTURE
SECURING
$12,670,000

MURRAY STATE COLLEGE
HOUSING AND DINING SYSTEM REVENUE BONDS,

Dated as of September 1, 1965,

ISSUED BY BOARD OF REGENTS OF MURRAY STATE COLLEGE,
MURRAY, KENTUCKY

INITIALLY CONSISTING OF

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TOTAL $12,670,000

This TRUST INDENTURE dated as of the first day of September, 1965, by and between the BOARD OF REGENTS OF MURRAY STATE COLLEGE, a public body corporate, and an educational institution and agency of the Commonwealth of Kentucky, at Murray, Kentucky (hereinafter sometimes called the "Board"), party of the first part, and the CITIZENS FIDELITY BANK & TRUST COMPANY, a combined bank and trust company, organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having full power to act as a corporate Trustee, and having its principal office and place of business in the City of Louisville, Kentucky, as Trustee (hereinafter sometimes called the "Trustee"), party of the second part;

W I T N E S S E T H:

That by reason of the circumstances, in order to accomplish the purposes, and for the mutual considerations hereinafter set forth, the Board and the Trustee hereby agree as follows:
ARTICLE I
DEFINITIONS

Section 101. In and throughout this Trust Indenture it will be appropriate and necessary to make repetitive references to certain words, designations, phrases and clauses; and for convenience of reference it is deemed desirable that certain abbreviations thereof be adopted and defined. Accordingly, it is agreed that wherever in this Trust Indenture the following words, designations, phrases and clauses are used, the same, unless the context shall clearly indicate another or different meaning or intent, shall be construed, are used, and are intended to have meanings and to be inclusive, as follows:

(1) "KRS" -- The Kentucky Revised Statutes of the Commonwealth of Kentucky, as the same are now in full force and effect (and, to the extent that the same may hereafter be amended in such manner as will not unconstitutionally impair the obligations of contracts created hereunder, any future amendments thereof).

(2) "College" -- Murray State College, situated in the City of Murray, Calloway County, Kentucky (KRS 164.290, et seq.).

(3) "Board" -- The Board of Regents of Murray State College, a body corporate, as provided in KRS 164.310, et seq.

(4) "Campus" -- The Campus of the College, in the City of Murray, Calloway County, Kentucky, including all lands, educational buildings, and appurtenant facilities in said County which are, or may hereafter be, used in the operation of the College as such.

(5) "Trustee" -- The Citizens Fidelity Bank and Trust Company, a combined bank and trust company created under and existing by virtue of the laws of the Commonwealth of Kentucky, having proper trust powers, and having its principal office and place of business in the City of Louisville, Kentucky, or a successor Trustee designated pursuant to the provisions of this Indenture, as set out in the caption of this Indenture.

(6) "This Trust Indenture" or "this Indenture" -- this instrument.

(7) "Housing and Dining System" or "System" -- The Murray State College Housing and Dining System," created and particularly identified and described in this Indenture, (a) initially comprising the housing, dining and student union buildings, appurtenant facilities and related auxiliary enterprises, identified as Woods Hall, Waterfield Student Union Building, Richmond Hall, Clark Hall, College Court I, Franklin Hall and Winslow Cafeteria, College Court II, Elizabeth Hall, Springer Hall, Wells, Hall and Ordway Hall; (b) the proposed new Hart Hall, College Court III, Hester Hall and Bob White Hall, the construction and financing of which projects have been or are about to be undertaken, as hereinafter
(8) "Bonds" (without further identification) -- The "Murray State College Housing and Dining System Revenue Bonds" authorized or permitted to be issued by the Board of the College pursuant to the terms, provisions, conditions, and limitations set forth in this Indenture. The word "Bonds" is applicable indiscriminately to Coupon Bonds and to corresponding installments of principal of Bonds in Fully-Registered Form.

(9) "Series of Bonds" -- Any alphabetically (or otherwise) designated and identified Series of Bonds, as initially authorized with particularity in this Indenture, or as may hereafter be authorized and issued on a basis of parity and equality with the same as to security and source of payment, for the purpose of defraying, in whole or in part, the costs of future System buildings, facilities, and necessary utility and other appurtenances, for housing, dining, student union or related auxiliary enterprises, upon compliance with the conditions and restrictions prescribed in this Indenture in that connection.

(10)(a) "DHUD" refers to the Department of Housing and Urban Development of the United States Government, or its successor, which has taken over most of the functions formerly performed by the Housing and Home Finance Agency.

(b) "HHFA" refers to the Housing and Home Finance Agency of the United States Government, the existence of which Agency expired in 1965, or its successor or assigns, and all references to the HHFA in this Trust Indenture shall be deemed to refer to the DHUD or such other agency of the United States Government as is vested with the authority and is appropriate to perform the functions formerly performed by the HHFA. "HHFA Administrator" refers to the Housing and Home Finance Administrator of the DHUD, or his successor or assigns.

(c) The "Government" refers to the United States Government and shall be deemed to include actions by or ownership of the former Housing and Home Finance Agency, the new Department of Housing and Urban Development and the Housing and Home Finance Administrator of the Department of Housing and Urban Development, or their successors or assigns.

(11) "Previously Issued Bonds" (without further identification) -- collectively, all revenue bonds heretofore issued by the Board of the College for financing, in whole or in part, educational buildings and facilities, with necessary utility and other appurtenances, for housing, dining, student union or related auxiliary enterprises, which are made parts of the system, but excluding any classroom buildings or administration buildings.

For clarification at the outset, said term "Previously Issued Bonds" means and includes only the "Woods Hall Bonds," the "Waterfield Student Union Bonds," the "Richmond Hall Bonds," the "Clark Hall Bonds," the "College Court I Bonds," the "Franklin Hall and Winslow Cafeteria Bonds," the "College Court II Bonds," and the "Elizabeth Hall and Springer Hall Bonds" -- all of which are more particularly identified as to date and original designation as set forth in ARTICLE II (the Recitals) hereof.

(12) "HHFA Bonds" -- The previously issued Bonds which have been held by the HHFA, provided that if and to any extent that any of such Bonds previously held by the HHFA mature and are paid prior to the closing date, the Series to be exchanged therefor (except, unless and to the extent purchased at the public sale by a non-HHFA purchaser) may be delivered as printed, with appropriate notations evidencing the payment prior to the closing date of whatever amounts will have matured prior to the closing date, in a manner similar to the procedure to be observed with reference to any interest payment dates falling due prior to the closing date.
"Housing and Dining System Revenue Bonds, Series A to H, inclusive," as authorized in and by this Indenture, in exchange for and upon the HHFA's surrender for cancellation of the HHFA Bonds, unless, except and to the possible extent that all or any part of the Series A to H Bonds, shall be purchased by a purchaser or purchasers at the public sale thereof other than by the HHFA; (b) simultaneously deliver, whether to the HHFA and/or to others, the Board's "Housing and Dining System Revenue Bonds, Series I, J and K," respectively, after the public sale thereof, as hereinafter provided; and (c) cause to be deposited at the respective proper places, and in the respective proper amounts, moneys (or such investments or combinations of investments as are described in Paragraphs (a), (b), and (c) of Section 501 of ARTICLE V of this Indenture), having the effect of legally discharging all of the Board's obligations to the holders of the Privately-Held Bonds.

"Certificate of Time Deposit," or for convenience of reference, "CD" -- A certificate issued by an incorporated State Bank or National Banking Association, evidencing its unqualified promise to pay a specified sum, on a specified date (without privilege of prior payment), bearing interest to maturity, interest being payable at or prior to maturity, at a specified rate; secured as to principal by a valid pledge of direct obligations of the United States Government, or obligations the payment of which is fully guaranteed by the United States Government.

"Revenues" -- As related to the aforesaid "Housing and Dining System," from and after the "Closing Date:"

(a) The gross amount of rentals generated to the Board and the College from time to time, from the use and occupancy of the housing facilities of the System;

(b) The gross amount generated to the Board and to the College from the exaction and collection of the student union fee to the extent that the same is herein pledged in the sum of $5.00 per full time student enrolled at the College for each of the two semesters of the regular academic year.

(c) Any future student fees which may hereafter be irrevocably and irreducibly established by the Board, to the extent that the same are identified, made applicable to all full-time students enrolled at the Campus of the College, and ordered to be segregated and pledged as constituting revenues of the System; and

(d) The net profits (as hereinafter defined) from the operation of dining facilities and other related auxiliary enterprises now or hereafter housed and accommodated in and by the buildings and facilities of the System, to the extent that the same are identified and irrevocably pledged by the Board as constituting revenues of the System, as determined in the manner and to be deposited from time to time in the "System Revenue Fund Account," as hereinafter defined and set forth in this Indenture.
"Current Expenses" (as applied to the System, as distinguished from the College and the Board) -- All necessary operating expenses, current maintenance charges, expense of upkeep and repairs, the properly allocated share of charges for insurance, utilities and all other expenses incident to the operation of the System; including cost of food and other goods sold, depreciation and all properly allocated general administrative expenses of the Board and of the College.

"Net Profits" (as applied to the operation of dining facilities and other related auxiliary enterprises) -- The gross receipts thereof, less the "Current Expenses" thereof, as hereinbefore defined.

"Costs of operating and maintaining the System" (as used in the covenant of the Board and the Commonwealth appearing in Section 909 of ARTICLE IX, and appearing in the text of the prescribed Bond Form appearing in ARTICLE X of this Indenture) -- All necessary operating expenses, current maintenance charges, expense of upkeep and repairs, the properly allocated share of charges for insurance, utilities and all other expenses incident to the operation of the System, but excluding cost of food and other goods sold, depreciation and all general administrative expenses of the Board and of the College.

"Chairman" -- The Chairman and each and every Vice Chairman and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.

"Secretary" -- The Secretary and each and every Assistant Secretary and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Secretary of the Board.

"Treasurer" -- The Treasurer and each and every Assistant Treasurer and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Treasurer of the Board.

"Architect" or "Engineer" -- Any licensed architect or engineer appointed by the Board, the Commissioner or the Commission, including any such architect or engineer in the employ of any of them and so appointed.

"Fiscal Year" -- shall mean the twelve months' period beginning September 1, and ending the following August 31, inclusive.

"FDIC" -- The Federal Deposit Insurance Corporation of the United States.

"Commissioner of Finance" or "Commissioner" -- The Commissioner of Finance of the Commonwealth of Kentucky, each and every officer of the Commonwealth who may hereafter be authorized to exercise powers and authority similar to those presently vested by law in said Commissioner; and each and every Deputy Commissioner or other similar officer authorized by law to exercise the power and authority presently vested by law in said Commissioner.

"State Property and Buildings Commission" or "Commission" -- The State Property and Buildings Commission of the Commonwealth of Kentucky, a corporate body presently created and existing pursuant to the provisions of Chapter 56 of the Kentucky Revised Statutes, and any other corporate body, Commission, Authority, officer or officers hereafter authorized by law to exercise the powers and functions presently vested in said existing Commission.

"System Revenue Fund" -- The "Murray State College Housing and Dining System Revenue Bonds Revenue Fund Account," created and established in and by this Indenture.

"System Sinking Fund" -- The "Murray State College Housing and Dining System Revenue Bond and Interest Sinking Fund Account," created and established in and by this Indenture.
"System Debt Service Reserve" -- The Debt Service Reserve created and established in and by this Indenture as a part of the System Sinking Fund.

"System Repair and Maintenance Reserve" -- The System Repair and Maintenance Reserve provided to be accumulated and maintained pursuant to the provisions of this Indenture.

"Project" -- The System building or buildings, facilities, and necessary utility and other appurtenances designated to be financed, in whole or in part, by the Board's issuance of a Series of Bonds.

"Series I Project" -- The Project referred to in the Board's HHFA Loan Agreement for Project No. CH-Ky-81 (DS), and intended to be financed primarily through application of the proceeds of the Series I Bonds, hereinafter authorized, said Series I Project being described in general terms as comprising a new Dormitory, with snack bar, bookstore, post office, recreation room and necessary appurtenant facilities, to house approximately 552 men students, said Dormitory having been named "Hart Hall."

"Series J Project" -- The Project referred to in the Board's HHFA Loan Agreement for Project No. CH-Ky-84 (D), and intended to be financed primarily through application of the proceeds of the Series J Bonds, hereinafter authorized, said Series J Project being described in general terms as consisting of new married student apartments containing 48 one-bedroom units, together with all necessary appurtenances, said Project having been named "College Court III."

"Series K Project" -- The Project referred to in the Board's HHFA Loan Agreement for Project No. CH-Ky-90 (D), and intended to be financed primarily through application of the proceeds of the Series K Bonds, hereinafter authorized, said Series K Project being described in general terms as consisting of Women's Dormitory No. 3, to house approximately 300 women students (which has been given the name "Hester Hall"), and Men's Dormitory No. 6, to house approximately 400 men students (which has been given the name "Bob White Hall").

"Costs of the Series I, J and K Projects" --

(a) obligations incurred for labor and to contractors, builders and materialmen in connection with the construction of the said Series I, J and K Projects;

(b) the interest accruing upon the Series I, J and K Bonds, respectively, until such time as such Projects are shown to have been completed and to have become revenue-producing; as may be authorized by the Board in appropriate proceedings, and not exceeding three (3) years from September 1, 1965, as permitted by law;

(c) fees and expenses of engineers and architects for surveys and estimates and other preliminary investigations, preparation of plans, drawings and specifications, and supervising construction, as well as for the performance of all other duties of engineers and architects in relation to the planning or construction of said Series I, J and K Projects or in connection with the issuance of the Series I, J and K Bonds authorized herein.

(d) expense of administration properly chargeable to the said Series I, J and K Projects, legal expenses and fees, financing charges, advertising expenses, cost of audits and the cost of issuing the Series I, J and K Bonds, and all other items of expense not specified elsewhere in this definition, incident to the construction of said Projects and placing the same in operation, specifically including the agreed fixed fee of the HHFA
in supervising and inspecting the work appertaining to the
development of said Projects and of auditing the books, records
and accounts pertaining thereto as set forth in the HHFA Loan
Agreement applicable thereto.

(38) "Construction Fund Series__" (with appropriate alphabetical identification) --
The Construction Fund (with alphabetical designation), provided in
this Indenture to be established in the custody of the Depository
(as hereinafter defined), for defraying the costs of a Project,
in whole or in part.

(39) "Depository" (As used in connection with the "Construction Fund" of any Series
of Bonds) -- The Treasurer of the Commonwealth; provided, however,
that in the event deposits of money in such Construction Fund
shall hereafter be permitted by law to be made with the Trustee,
the Board may, in the proceedings authorizing and providing for
any future Series of Bonds, and in the "Supplemental Trust Inden-
ture" executed in connection therewith, make provision for deposit
of the Construction Fund moneys with the Trustee.

(40) "Previous Revenue Fund" -- Such funds or accounts, howsoever designated and
identified, as have previously been established in the Trust
Indentures or other proceedings of the Board in the issuance
of Previously Issued Bonds, wherein provisions have been made
for the deposit from time to time of the gross amount of the
income and revenues of the respective buildings and facilities
for which such Previously Issued Bonds were authorized.

(41) "Previous Sinking Funds" -- Such funds or accounts, howsoever designated
and identified, as have previously been established in the
Trust Indentures or other proceedings of the Board in the
authorization of Previously Issued Bonds, wherein provisions
have been made for the setting aside and pledging of moneys
to pay interest as it becomes due, and to provide for the
payment at or before maturity, of any of the Previously
Issued Bonds.

(42) "Previous Repair and Maintenance Reserves" -- Such funds or accounts,
howsoever designated and identified, as have previously been
established in the Trust Indentures or other proceedings of
the Board in the authorization of Previously Issued Bonds,
wherein provisions have been made for the deposit, accumula-
tion and/or investment of moneys intended for the purpose
of maintaining in good condition the buildings and facil-
ities financed, in whole or in part, by the respective
Previously Issued Bonds, and of repairing and replacing
such property.

(43) "Fully Registered Bond" -- A single non-negotiable installment bond payable
to the United States of America, Department of Housing and
Urban Development, Housing and Home Finance Administrator, or
his successor, or his registered assigns (or such other named
owner as may elect to take a fully registered bond) of the
form set out in Section 1001 under the title "(FORM OF FULLY
REGISTERED BOND)." Wherever and whenever in this Indenture,
or in the bond forms set out herein, it is provided that
bondholders have certain rights or security or may take cer-
tain action or may require the Trustee hereunder to take
certain action, such provisions shall also apply to any
couponholders, registered Bond owners and the owner or owners
of any Fully Registered Bond or Bonds hereunder, as the case
may be.

(44) "Bond Counsel" -- Initially, and in connection with the proceedings
and transactions hereunder which are to be completed and
consummated on the Closing Date -- the law firm of Rubin & Trautwein, 200 Tyler Building, Louisville, Kentucky 40202 (585-2153); and, in connection with the issuance of any additional Series of parity Bonds from time to time, said law firm, or any other law firm, or any other attorney at law, or firm of attorneys at law as may be employed to perform the requisite legal work to issue the customary approving legal opinion to the purchaser or purchasers thereof.

Section 102. Masculine-Feminine. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

Section 103. Single-Plural. The words "Bond," "bondholder," "owner," "holder," and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The term "bondholders" means and contemplates, unless the context otherwise indicates, the holders of any of the Bonds at the time issued and outstanding hereunder. Each of the words "person" and "corporation" shall include the other, unless the context shall otherwise indicate.

Section 104. Certifications. Whenever in this Indenture it is provided that any fact or opinion be evidenced to the Trustee by means of a certificate, statement, opinion, or other document, it shall constitute compliance herewith if the various facts and/or opinions intended so to be evidenced to the Trustee be included in different certificates, statements, opinions, or other documents signed by the same person or different persons of the same qualifications.

ARTICLE II

RECITALS

Section 201. Legal Status of College. The College, situated at Murray, in Calloway County, Kentucky, is an educational institution of higher learning of the Commonwealth of Kentucky, so recognized by name in KRS 164.290. Its lawful governing body, having control of the management and affairs of said College, is its "Board of Regents of Murray State College," as provided in KRS 164.310; and said Board, as provided in KRS 164.350, is a body corporate,
having the usual powers of corporations generally; and with specific powers, according to KRS 162.340 to 162.380, inclusive (and other Sections of KRS which are incorporated therein by reference), to issue bonds to erect buildings and appurtenances to be used in connection with the College for educational purposes, including the authority and power to refund the same, and to finance additional similar buildings and appurtenances.

Section 202. The Trustee. The Citizens Fidelity Bank and Trust Company, a combined bank and trust company duly organized and existing according to the laws of the Commonwealth of Kentucky, having full power to act as a corporate Trustee, and having its principal office and place of business in the City of Louisville, Jefferson County, Kentucky, as hereinbefore stated, is hereby designated as the Trustee under this Trust Indenture for all purposes hereof.

Section 203. Previously Issued Bonds. The Board now has outstanding certain Bonds issued under the respective dates of December 1, 1955, November 1, 1957, February 1, 1960, June 1, 1960, April 1, 1961, September 1, 1961, September 1, 1962, and September 1, 1963, as set out in the ensuing Schedule A and Schedule B in Section 203 hereof. Bonds of said issues will be outstanding and in the hands of private holders, subsequent to February 1, 1966, to the extent of $4,470,000. Bonds of said issues will be outstanding and held by the HHFA, subsequent to February 1, 1966, to the extent of $6,647,000. Provision is hereinafter made for the escrowing of sufficient funds out of assets currently available to the College to provide for the retirement of said $4,470,000 of Privately-Held Bonds as same fall due, and the Board has previously provided for the retirement of all HHFA Bonds falling due on or before February 1, 1966. Provision is hereinafter made for payment of said HHFA Bonds through the issuance of Series A, B, C, D, E, F, G and H Bonds, hereinafter authorized, with the cash proceeds thereof and/or by exchange of said Series A to H Bonds with the HHFA as hereinafter specified, together with the application of certain existing funds of the College to retire sufficient of said HHFA Bonds to reduce the necessary authorized amounts of said Series A to H Bonds to multiples of $5,000.00, pursuant to an HHFA Loan Agreement hereinafter referred to. The following Schedules set out detailed information (and the status) as of February 1, 1966, as to said eight different issues of outstanding Bonds, including the name (and HHFA Project number) of each project, the date of each bond issue, the name of each bond issue, the amount of bonds originally authorized and issued with reference to each project, the amount of bonds of each bond issue held by the HHFA, the amount of Privately-Held Bonds of each bond issue, the interest rate or rates of each bond issue, and the maturities of the outstanding bonds of each bond issue:
<table>
<thead>
<tr>
<th>YEAR</th>
<th>DEC. 1</th>
<th>NOV. 1</th>
<th>FEB. 1</th>
<th>MARCH 1</th>
<th>APRIL 1</th>
<th>SEPTEMBER 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>1967</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>1968</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>1969</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>1970</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

* Indicates Privately Held Bonds; all others are HHFA Bonds.
### Schedule B
**Summary of Status of Previously Issued Bonds**

**After Maturities Through 2-1-66**

<table>
<thead>
<tr>
<th>A. Project - Name and Number</th>
<th>B. Date of Bonds</th>
<th>C. No. of Bonds</th>
<th>D. Name of Bonds</th>
<th>E. Date of Maturities</th>
<th>F. Amount of Bonds Originally Authorized and Issued</th>
<th>G. Amount of Bonds Outstanding After 2-1-66</th>
<th>H. Amount of Bonds Held by HHFA</th>
<th>I. Amount of Privately Held Bonds</th>
<th>J. Interest Rate of Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Woods Hall; No. Ky-CH-10(D)</td>
<td>12-1-55</td>
<td>11-1-57</td>
<td>Dormitory Revenue Bonds of 1955</td>
<td>1966-95 (Dec. 1)</td>
<td>$818,000</td>
<td>$705,000</td>
<td>$705,000</td>
<td>NONE</td>
<td>2-3/4%</td>
</tr>
<tr>
<td>2. Waterfield Student Building; No. Ky-CH-33(D)</td>
<td>11-1-57</td>
<td>2-1-60</td>
<td>Dormitory Revenue (Revenue) Bonds of 1960</td>
<td>1966-97 (Nov. 1)</td>
<td>$670,000</td>
<td>$606,000</td>
<td>$606,000</td>
<td>NONE</td>
<td>2-7/8%</td>
</tr>
<tr>
<td>3. Richmond Hall; No. Ky-CH-38(D)</td>
<td>2-1-60</td>
<td>6-1-60</td>
<td>Dormitory Revenue Bonds of 1960</td>
<td>1966-97 (Nov. 1)</td>
<td>$683,000</td>
<td>$638,000</td>
<td>$638,000</td>
<td>NONE</td>
<td>3-1/8%</td>
</tr>
<tr>
<td>4. Clark College Court I; No. Ky-CH-56(D)</td>
<td>4-1-61</td>
<td>4-1-61</td>
<td>Dormitory Housing Revenue Bonds of 1961</td>
<td>1966-97 (Nov. 1)</td>
<td>$800,000</td>
<td>$764,000</td>
<td>$764,000</td>
<td>NONE</td>
<td>3-1/2%</td>
</tr>
<tr>
<td>5. College Hall and Winslow Cafeteria; No. Ky-CH-69(D)</td>
<td>9-1-61</td>
<td>9-1-62</td>
<td>Student Housing Hall Revenue Bonds of 1963</td>
<td>1966-97 (Nov. 1)</td>
<td>$415,000</td>
<td>$393,000</td>
<td>$393,000</td>
<td>NONE</td>
<td>3-1/4% on maturities of 1960-71;</td>
</tr>
<tr>
<td>6. Franklin College Court II; No. Ky-CH-66(D)</td>
<td>9-1-62</td>
<td>9-1-63</td>
<td>Dormitory Revenue Bonds of 1963</td>
<td>1966-97 (Nov. 1)</td>
<td>$1,469,000</td>
<td>$1,429,000</td>
<td>$1,293,000</td>
<td>NONE</td>
<td>3-3/8% on maturities of 1966-73;</td>
</tr>
</tbody>
</table>

**Maturities Outstanding**

- **HHFA Bonds:**
  - 1966-95 (Dec. 1)
  - 1966-97 (Nov. 1)
  - 1967-2000 (Feb. 1)
  - 1966-2000 (June 1)
  - 1966-2001 (April 1)
  - 1966-2001 (Sept. 1)
  - 1966-2003 (Sept. 1)

- **NHFA Bonds:**
  - 1966-95 (Dec. 1)
  - 1966-97 (Nov. 1)
  - 1967-2000 (Feb. 1)
  - 1966-2000 (June 1)
  - 1966-2001 (April 1)
  - 1972-2001 (Sept. 1)
  - 1973-2000 (Sept. 1)
  - 1974-2003 (Sept. 1)
Section 204. Covenant as to Previously Issued Bonds. The Board of the College represents, covenants and agrees that (a) its Woods Hall Bonds, Waterfield Student Union Bonds, Richmond Hall Bonds, Clark Hall Bonds, College Court I Bonds, Franklin Hall and Winslow Cafeteria Bonds, College Court II Bonds, and its Elizabeth Hall and Springer Hall Bonds, as particularly recited, declared and identified in the foregoing Section 203 of this ARTICLE II hereof, constitute all of the issued and outstanding Previously Issued Bonds, as that term is defined in Section 101 of ARTICLE I of this Indenture; and (b) that as of the Closing Date it has paid or will have duly made provision for the payment of whatever principal payments thereof and interest thereon shall have matured on or prior to the Closing Date.

Section 205. Loan Agreements Approved on Projects Where Bonds Not Yet Issued. The Board of the College has heretofore determined that there is an urgent need for the immediate erection on its Campus of substantial new and additional educational buildings for housing, dining and related auxiliary purposes, with necessary utility and other appurtenances; and in that connection, the Board has caused plans, specifications and working drawings to be prepared for same. In order to defray the costs thereof, the Board has heretofore applied to the HHFA for three additional Loan Agreements, all of which have been granted, being Project No. CH-Ky-81(DS), Project No. CH-Ky-84(D), and Project No. CH-Ky-90(D). Each of such Loan Agreements provides for a commitment on the part of the Board to authorize and offer at public sale its respective revenue bonds in amounts sufficient to defray the costs of said projects, together with commitments on the part of the HHFA that if and when the Board does authorize and offer at public sale revenue bonds sufficient to defray all such costs (to the extent that such costs are eligible and allowable according to pertinent Federal Statutes and Regulations), the HHFA will appear on the occasion of such respective public sales and submit its offer to purchase same at par value plus accrued interest, to the amount, upon specified terms, at such interest rates and for purposes generally as follows:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>AUTHORIZED ISSUE</th>
<th>INTEREST RATE</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hart Hall - Project No. CH-Ky-81 (DS) (Series I Project)</td>
<td>$ 2,250,000</td>
<td>3-5/8%</td>
<td>See Definition (34) of Section 101 above.</td>
</tr>
<tr>
<td>College Court No. III - Project No. CH-Ky-84 (D) (Series J Project)</td>
<td>510,000</td>
<td>3-3/4%</td>
<td>See Definition (35) of Section 101 above.</td>
</tr>
<tr>
<td>Women's Dormitory No. 3 (Hester Hall) and Men's Dormitory No. 6 (Bob White Hall) - Project No. CH-Ky-90(D) (Series K Project)</td>
<td>3,280,000</td>
<td>3%</td>
<td>See Definition (36) of Section 101 above.</td>
</tr>
</tbody>
</table>
Section 206. New Loan Agreement Involving Eleven Different Series of Bonds.

The HHFA has entered into a Loan Agreement, Project No. CH-Ky-90(D)(Rev.), with the Board containing a commitment on the part of the HHFA that if the Board will authorize and offer at public sale its three separate Series of revenue bonds in amounts sufficient, respectively, to defray all (eligible) costs of said new projects designated Project No. CH-Ky-81(DS), Project No. CH-Ky-84(D), and Project No. CH-Ky-90(D), and will offer such revenue bonds at public sale in agreed amounts, respectively, sufficient to defray all (Federally) eligible costs of said projects, the HHFA will appear at the occasion of such public sale and submit its offer to purchase the same, to the total amount of $6,040,000 ($2,250,000, $510,000 and $3,280,000, respectively), upon the terms as to price and interest rate or rates set out above; such Loan Agreement or commitment of the HHFA being conditioned upon the College making provision out of other available funds in every legal sense for the payment and discharge in the future (at maturity, by redemption or otherwise) of all of the Privately-Held Bonds, as defined in Section 101 of ARTICLE I hereof. Said Loan Agreement further provides that upon the successful sale by the Board of the College of its revenue bonds sufficient in the aggregate to provide for all of the foregoing, then upon the Closing Date and simultaneously with the issuance and delivery thereof and payment therefor, the HHFA will surrender all of the HHFA Bonds (as defined in Section 101 of ARTICLE I hereof) in exchange for the Board's issuance and delivery of the Series A to H Bonds (authorized herein) to the HHFA (unless, except and to the possible extent that all or any part of the Series A to H Bonds herein authorized shall be purchased by a purchaser or purchasers at the public sale thereof other than the HHFA), equivalent thereto in the respective principal amounts, in the respective principal maturities and in the respective interest rates thereof (as nearly as may be feasible), to the HHFA Bonds which are so surrendered to the Board, with any adjustments of interest accruals as may be necessary in order to prevent loss of interest on the part of the HHFA or duplication of interest on the part of the Board, and with cash prepayments by the Board to the HHFA of sufficient amounts to enable the Board to round maturities of the Series A to H Bonds to multiples of $5,000.00.

Section 207. Authorization to Issue Bonds. The Board acknowledges and recognizes that according to prevailing Federal Statutes and Regulations, the HHFA is not permitted to purchase Bonds of the Board, or otherwise in any manner to provide Federal moneys to the Board, for the payment and discharge of the Board's Privately-Held Bonds. It is agreed, nevertheless, by and between the Board and the HHFA, that the Board may otherwise lawfully deposit funds otherwise available to the Board in escrow for such purpose.
In view of the foregoing considerations, it has been agreed by and between the Board and the HHFA, and as set forth in the aforesaid HHFA Loan Agreement for Project No. CH-Ky-81(DS), Project No. CH-Ky-84(D), and Project No. CH-Ky-90(D), and Project No. CH-Ky-90(D)(Rev.), as follows:

(a) Issuance of Series A to H Bonds. That unless, except and to the possible extent that all or any part of the Series A to H Bonds herein authorized shall be purchased by a purchaser or purchasers at the public sale thereof other than the HHFA, the Board will, pursuant to this Indenture, authorize, as hereinafter provided, the issuance to the HHFA of the Bonds of the Board hereinafter identified as Series A to H, inclusive, corresponding, respectively, in principal amount and interest rate or rates and as to principal maturities (as nearly as is considered feasible, in multiples of $5,000), to the various HHFA Bonds of the Previously Outstanding Bonds. By agreement between the Board and the HHFA, the HHFA will on or after February 1, 1966, surrender said HHFA Bonds to this Board for cancellation, upon the issuance by the Board to the HHFA (except as provided herein) of the Series A to H Bonds hereinafter authorized, with such cash adjustment, if any, of interest accruals as will result in no duplication of interest payment on the part of the Board and no loss of interest on the part of the HHFA. If and to the extent that any of said Series A to H Bonds shall be purchased by a purchaser or purchasers other than the HHFA, then by agreement with the HHFA, such amounts shall be applied to prepay an equivalent portion and equivalent maturities (without prepayment premium) of said respective HHFA Bonds, and there will be exchanged with the HHFA the amount of said Series A to H Bonds (awarded to the HHFA pursuant to the aforesaid exchange agreement) for an equivalent amount and substantially equivalent maturities, but in multiples of $5,000 (at the same interest rate or rates) of the otherwise unpaid balance of said HHFA Bonds, with such cash adjustment, if any, of interest accruals as will result in no duplication of interest payment on the part of the Board and no loss of interest on the part of the HHFA, and with a cash payment by the Board to the HHFA as necessary to round the amounts of the respective Series of Bonds authorized herein, to a multiple of $5,000.00. In that connection, it shall not be necessary to publish a Notice of Redemption of Bonds, as the prepayment, exchange and cancellation of the Series A to H Bonds held by the HHFA can be accomplished at this time only by agreement with
the HHFA, and such agreement (the exchange agreement) has been made or will have
been made prior to the Closing Date.

(b) Escrow of Funds to Retire Privately-Held Bonds. That except to
the extent that any of the Privately-Held Bonds may be redeemed or retired by the
College prior to the Closing Date (and subject to a credit for such amount thereof,
if any), the Board will deposit out of funds available to the Board, with the
respective Trustees under the Trust Indentures with reference to said Privately-
Held Bonds, or with the Trustee named hereunder, the total sum of $447,000, con-
sisting of the sum of $136,000 in connection with the outstanding Bonds dated
September 1, 1961, the sum of $56,000 in connection with the outstanding Bonds
dated September 1, 1962, and the sum of $255,000 in connection with the outstanding
Bonds dated September 1, 1963, in order to provide, in the aggregate for the pay-
ment and discharge, or in order to make full provision for the payment and dis-
charge, whether at maturity or by redemption, of all of the Privately-Held Bonds
of the Previously Issued Bonds, such amounts to be so deposited and to be held
in trust exclusively for the purposes aforesaid. All amounts so deposited in
trust shall be evidenced by one or more interest bearing Certificates of Time
Deposit made payable to the Murray State College Privately-Held Bonds Redemption
Fund, bearing respective identification dates of September 1, 1961, September 1,
1962, and September 1, 1963, and maturing at such respective times as to make
such funds available for the purposes aforesaid; and such amounts, to the extent
that same are in excess of the amount insured by the FDIC, shall be secured by
a pledge of an equivalent amount in market value of United States Government
notes or obligations, which may be evidenced by an appropriate escrow agreement
or agreements between the College and said respective Trustees or with the
Trustee named herein. Subject to existing provisions in existing Trust Indentures,
the President of the College and the Chairman and Secretary of the Board are
authorized to enter into appropriate Escrow Agreements or similar arrangements
with the respective Trustees named in said Trust Indentures, or with the
Trustee named herein, as recommended by Bond Counsel, to carry out the intent
and purposes of this subsection. Upon such funds being applied to the retire-
ment of said Privately-Held Bonds and coupons, the same, when surrendered
for payment with all unpaid interest coupons duly attached thereto, shall,
together with such interest coupons, be cancelled or destroyed and a
record made thereof and preserved by said respective Trustees and by the Treasurer of the College.

(c) **Series I, J and K Bonds.** The Board will authorize, as hereinafter more particularly provided, its Series I, J and K Bonds under the provisions of this Indenture, in aggregate principal amounts, respectively, as has been agreed upon by the Board and the HHFA to be sufficient (upon the basis of awarded construction contracts or reasonable estimates), presently estimated as follows:

<table>
<thead>
<tr>
<th>IDENTIFICATION OF SERIES OF BONDS</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>$ 2,250,000</td>
</tr>
<tr>
<td>J</td>
<td>$ 510,000</td>
</tr>
<tr>
<td>K</td>
<td>$ 3,280,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 6,040,000</strong></td>
</tr>
</tbody>
</table>

for the respective purposes as set out above, such costs being those eligible and allowable in the expenditure of HHFA funds under prevailing Federal Statutes and Regulations; that each of said respective series of Bonds will be offered at separate public sales, simultaneously, and upon terms and conditions complying with prevailing HHFA requirements; and that upon the occasion of such respective public offerings, the HHFA will appear and tender bids for the purchase of up to the total authorized issue, respectively, of each Series of Bonds, upon terms of price and interest rate or rates as set forth in the aforesaid respective HHFA Loan Agreements for Project No. CH-Ky-81 (DS), Project No. CH-Ky-84 (D) and Project No. CH-Ky-90 (D), with an agreement on the part of the HHFA in each instance, to accept upon such terms any of the aforesaid respective Series of Bonds, which are not upon that occasion offered to be purchased by private investors upon permissible terms and conditions--such respective purchase bids of the HHFA to be conditioned that upon the same occasion the Board shall receive and accept, as to each Series of Bonds, a purchase bid of one or more private investors for such Bonds as, together with the remaining Bonds of said Series offered to be purchased by the HHFA, will be sufficient to effect a legal sale by the Board of all of the Bonds of such Series, according to the terms and conditions of the public offering thereof.
ARTICLE III
PURPOSES

Section 301. Need for Additional Facilities. The Board of the College represents that the aggregate of its existing educational buildings and facilities at its Campus for housing and dining purposes, and related auxiliary enterprises (including Student Union purposes) are grossly and critically inadequate for the accommodation of its existing student enrollment, and for increasing enrollment according to all conservative and reasonable projections. The Board of the College acknowledges an urgent and critical necessity for the immediate undertaking and financing of additional educational buildings to provide accommodations and facilities of such nature, with particular reference and emphasis to the immediate undertaking and financing of the Series I, J and K Projects herein referred to; but also in contemplation of the urgent necessity for undertaking and financing, as rapidly as the same may be or become feasible, additional educational buildings to provide accommodations of comparable character.

The Board of the College further acknowledges that in view of present and prospective high and increasing costs of construction, the Board is and will be wholly unable to finance at this time, or to provide for sound financing in the future, of any material or appreciable portion of the present or prospective urgently needed housing and dining buildings, with related auxiliary enterprises, and necessary appurtenant facilities, unless such of its educational buildings and facilities as are presently subject to the liens, pledges and other security rights incident to its Previously Issued Bonds are combined and consolidated in the establishment of a single "Housing and Dining System" as provided in this Indenture, in order that the aggregate income and revenues of the entire Housing and Dining System, hereinafter established, may become available for such financing purposes.

In view of all of the foregoing, it is the purpose of the Board, with the prior consent and agreement of the HHFA, as represented in the aforementioned HHFA Loan Agreement for Project No. CH-Ky-81(D), Project No. CH-Ky-84(D) and Project No. CH-Ky-90(D), and for Project No. CH-Ky-90(D)(Rev.), (a) to combine and consolidate all of such identified educational buildings and appurtenant facilities for housing and dining purposes, related auxiliary enterprises
(including Student Union purposes) and necessary appurtenant facilities in the establishment of the Board's "Housing and Dining System," (b) to provide for the payment of the Board's Previously Issued Bonds, by escrowing sufficient funds to provide for the principal and interest requirements on the Board's Privately-Held Bonds, and by exchanging the HHFA Bonds with the HHFA upon the surrender by the HHFA of said HHFA Bonds of such Previously Issued Bonds to the College simultaneously with the issuance by the College to the HHFA of said eight Series A to H Bonds (unless, except and to the possible extent that all or any part of the Series A to H Bonds herein authorized shall be purchased by a purchaser or purchasers at the public sale thereof other than the HHFA); (c) to provide for the financing of the Federally eligible and allowable costs of its Series I, J and K Projects through the issuance of its Series I, J and K Bonds, respectively, as hereinafter provided; and (d) to prescribe terms, conditions and restrictions governing and controlling the future issuance by the Board of additional Series of its "Housing and Dining System Revenue Bonds," which will be equally and ratably secured by this Indenture, and payable from the defined Revenues of said System, in order to provide in provident fashion for the financing of future similar educational buildings and facilities, to the extent that the same may from time to time become necessary and are financially feasible.

ARTICLE IV

AUTHORIZATION OF THE BOARD'S "MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BONDS."

Section 401. General Authorization of System Bonds. For the purposes hereinbefore and hereinafter set forth in this Trust Indenture, the Board (by resolution duly adopted), has authorized and hereby authorizes the issuance of its "Murray State College Housing and Dining System Revenue Bonds" (the "Bonds"); and each and every one thereof, issued in accordance with the terms, provisions, conditions and restrictions hereinafter set forth (when authenticated by the Trustee, as hereinafter provided), shall be equally secured by and payable on a basis of parity and equality from, and as the first charge upon, the defined Revenues derived from the operation of the educational buildings, appurtenances and facilities of said Board's "Housing and Dining System," as hereinafter provided.

Section 402. Identification of Bonds. The Bonds and parity bonds issued under authority of this Indenture shall each be designated a "Housing
and Dining System Revenue Bond" of the Board, and shall further be identified as to each Series thereof, alphabetically or otherwise, in order to distinguish the same. The Bonds of each Series shall be numbered in appropriate fashion and shall be in such denomination or denominations, whether in the form of "Coupon Bonds" having attached thereto appurtenant coupons representing the semi-annual accrual of interest, or in the form of "Bonds in Fully Registered Form" without appurtenant interest coupons, as herein authorized or as may from time to time be authorized by appropriate action of the Board, as evidenced by one or more "Supplemental Trust Indentures," executed and delivered to the Trustee in the manner hereinafter provided.

Section 403. Fully Registered Bonds; Issuance; Exchange for Coupon Bonds and Assignability. (a) In the event that the United States Government is awarded all or any part of the Bonds authorized by this Indenture, the Board, upon request, shall execute, and the Trustee shall authenticate and deliver to the Government, a single, Fully Registered Bond without coupons, registered in the name of "the United States of America, Secretary of Housing and Urban Development, or his successor (herein sometimes called the "Payee") or his registered assigns (herein sometimes called the "Alternate Payee")," in the form of the Fully Registered Bond hereinafter set forth, and calling for the same payments of interest and principal as the Bonds awarded to the Government at the public sale.

(b) In the event that all or any part of the Bonds authorized by this Indenture shall be awarded to any purchaser or purchasers other than the Government, the Board, upon request, shall execute and the Trustee shall authenticate and deliver, to each such purchaser, a Fully Registered Bond without coupons in the form of the Fully Registered Bond hereinafter set forth, registered in the name of such purchaser or purchasers, and calling for the same payments of interest and principal as the Bonds awarded to such purchaser or purchasers.

(c) Such Fully Registered Bonds as to each Series shall be numbered from R-1 consecutively upwards (R-1, Series A; R-1, Series B; etc), and shall be subject to prepayment from time to time in part, as hereinafter provided in Section 802 hereof, and payment of the redemption price for Bonds or portions
of Bonds so redeemed shall be made by the Board in the manner provided in said Section 802. Payments of the principal and interest, otherwise than upon full redemption, made in respect of any such Fully Registered Bonds, may be made to the registered holder or holders thereof, or to their designated agents, without presentation or surrender of said Bonds, and all such payments shall fully discharge the obligations of the Board in respect of such Bonds to the extent of the payments so made. During the time that the Government is the registered owner of any of such Fully Registered Bonds, payment shall be made at the Federal Reserve Bank of Richmond, Richmond, Virginia, or at such other installation as the Government shall designate. Such payments shall be noted on the payment record, made a part of the Bond, and written notice of the making of such notation shall be promptly sent to the Board at the office of the Trustee.

(d) An order for authentication of Bonds, signed in the name of the Board by the President of the College, shall be delivered to the Trustee, specifying the aggregate principal amount of each Fully Registered Bond to be issued, the maturity dates of the principal installments thereof, serial number thereof, the name of the purchaser in whose name such Bond shall be registered by the Trustee, the amount of the purchase price of such Bond and the amount of such purchase price representing accrued interest, and requesting the Trustee to authenticate and deliver such Bond, upon execution by the Board.

(e) The Board covenants and agrees that, within ninety days after the receipt by the Board of the written request of the registered owner of any such Fully Registered Bond, the Board will at its own expense prepare and execute bearer Coupon Bonds of the denomination of $5,000.00, in the form hereinafter set forth, of type composition and printed on paper of customary weight and strength, in an aggregate principal amount equal to the unpaid principal amount of such Fully Registered Bond, and having maturities corresponding to the principal installments of such Fully Registered Bond then unpaid, with coupons at a corresponding interest rate, annexed thereto maturing after the date to which interest on such Fully Registered Bond shall have been fully paid; and the Board will cause such Coupon Bonds to be
authenticated by the Trustee and delivered to the registered owner of such Fully Registered Bond upon the surrender and cancellation of such Fully Registered Bond. The Board shall, at the time of any such written request for exchange of its Fully Registered Bond for Coupon Bonds, deliver to the Trustee a Certificate certifying the principal amount then unpaid on any such Fully Registered Bond and the date to which interest on such Fully Registered Bond shall have been fully paid. Any Fully Registered Bond so surrendered shall be cancelled by the Trustee and delivered to the Board. The Trustee shall be fully protected in relying on any such Certificate or Order delivered to it under the provisions of Subsections (d) or (e) of this Section.

(f) A Fully Registered Bond may be assigned by the execution of the Form of Assignment printed on the back of such Fully Registered Bond. Upon the execution of such Form of Assignment, the assignor shall promptly send the Board written notice of such assignment by registered mail at the office of the Trustee, and the Alternate Payee shall surrender the same to the Trustee either in exchange for a new Fully Registered Bond or for the transfer on the registration records and verification of the endorsements made on the Payment Record attached to such Fully Registered Bond, of the portion of the principal amount thereof and interest thereon paid or prepaid, and every such assignee shall take a Fully Registered Bond subject to such condition.

Section 404. Date, Maturities and Other Details of Series A to K Bonds Herein Authorized. Except as is herein provided in respect of mutilated, lost, destroyed or stolen Bonds (and Coupon Bonds issued in exchange for Bonds issued in Fully Registered Form as herein authorized), said respective Series of Bonds A to K, inclusive, shall be issued hereunder to the aggregate principal amount of Twelve Million, Six Hundred Seventy Thousand Dollars ($12,670,000). The Bonds, other than Fully Registered Bonds, shall be issued as Coupon Bonds in the denomination of Five Thousand Dollars ($5,000) each, registerable as to principal only, but subject, nevertheless, to issuance of all or parts of each such Series in one or more "Bonds in Fully Registered Form," each of a larger denomination, as otherwise provided and permitted in this Indenture.
The $12,670,000 of Series A to K Bonds authorized herein shall be dated as of September 1, 1965. The Bonds of future Series authorized and issued in accordance with the provisions of this Indenture may be dated as provided in the proceedings relating to the issuance of each such Series.

Said Series of Bonds A to K shall be issued with principal maturities or payments thereof falling due on September first in each of the respective years as set out below, all of said Bonds (and any future Series issued hereunder) to bear interest at a rate or rates to be established upon the basis of competition among bidders when the same are sold at one or more advertised, public, competitive sales, as hereinafter provided.
### SCHEDULE C

**Maturities of $12,670,000 of Murray State College Housing and Dining System Revenue Bonds, Series A to K, Authorized by this Indenture**

Schedule of Series A to K Bonds, Showing Authorized Amount, Maturities and Maximum Net Interest Cost for the Respective Series.

<table>
<thead>
<tr>
<th>Maturity, September 1, of each year</th>
<th>A. $705,000</th>
<th>B. $605,000</th>
<th>C. $635,000</th>
<th>D. $765,000</th>
<th>E. $390,000</th>
<th>F. $1,290,000</th>
<th>G. $1,845,000</th>
<th>H. $2,250,000</th>
<th>I. $510,000</th>
<th>J. $3,280,000</th>
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Provided, however, that the Board expressly reserves the right to issue additional Bonds ratably payable from the defined Revenues of the aforesaid Housing and Dining System, subject to the conditions and restrictions hereinafter specifically set forth in this Indenture.

The Bonds of future Series authorized and issued in accordance with the provisions of this Indenture may be dated as provided in the proceedings relating to the issuance of each such Series.

As aforesaid, all of said Bonds shall bear interest at a rate or rates established upon the basis of competition among bidders when the same are sold at one or more advertised, public, competitive sales, as hereinafter provided. In the case of each Series of Bonds, the interest rate or rates shall be certified by the Board to the Trustee prior to the issuance thereof. The aforesaid maturity schedule, is, of course, subject to reserved right of redemption of a portion of each Series of said Coupon Bonds (and of corresponding principal installments of Bonds issued in Fully Registered Form) prior to maturity as hereinafter provided in this Indenture. Said maturity schedule represents the maturities of Coupon Bonds and also represents the amounts and maturity dates of installments of principal of such Bonds as may be issued in Fully Registered Form in accordance with the provisions hereof.

Section 405. Bonds Payable in Legal Tender. The principal of each Bond and the interest thereon shall be payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America.

Section 406. Trustee; Paying Agent and Alternate Paying Agent. In addition to performing its duties as Trustee hereunder, the Trustee shall also serve as one of the Paying Agents; and, at the option of the holder, the principal of each Bond and the interest thereon shall be payable at the office of the Trustee, or of its successor or successors in trust under this Indenture, or, at the option of the holder, or registered owner, at the main office of the Chemical Bank New York Trust Company, in the City of New York, New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America.
In the case of Bonds in Fully Registered Form which are stated to be payable to the United States of America, Department of Housing and Urban Development, Housing and Home Finance Administrator, principal and interest shall be payable at such place or places as may be designated from time to time by said Housing and Home Finance Administrator, as set forth in the "Form of Fully Registered Bond," hereafter appearing in this Indenture.

Section 407. Bond Forms Specified Herein. The Bonds (and any interest coupons appertaining thereto) shall respectively be substantially in the forms hereinafter set forth, with such omissions, variations and insertions as are required or permitted by the terms of this Indenture to evidence the terms thereof.

Section 408. Coupon Bonds; Appertaining Coupons. All such interest to the respective maturity dates of principal of Bonds issued in Coupon Form shall be evidenced by coupons attached to the Bonds, payable on each March 1 and September 1, beginning upon the first March 1, or September 1, as the case may be, subsequent to the issuance thereof, and semi-annually thereafter to the respective stated maturity dates, and the principal of Bonds of all Series issued hereunder shall mature on September 1 of the year or years in which principal is scheduled to be payable.

Section 409. Execution. The Bonds of each Series (whether of the initially authorized Series A to K, inclusive, or of any future Series of Bonds authorized pursuant to the conditions and restrictions hereinafter prescribed in that connection), shall at one time or from time to time be executed on behalf of the Board by the manual or reproduced facsimile of the signature of its Chairman; and the corporate seal shall be impressed thereon or a facsimile reproduction of the corporate seal shall be imprinted thereon, and attested by the manual signature or reproduced facsimile signature of its Secretary; provided, however, that at least one of said signatures shall be manually signed, as the Board may from time to time prescribe; and the interest coupons appurtenant to any Bonds issued in Coupon Form shall be executed by the reproduced facsimile signatures of the Chairman and Secretary. The Bonds shall then be delivered to the Trustee for authentication by it; and thereupon the Trustee shall, upon receipt by the Trustee of evidence satisfactory to the
Trustee of the proper execution of this Indenture (or of any Supplemental Indenture required in such connection), and of the establishment of interest rates, authenticate said Bonds, and deliver the same to such officer or officers of the Board as may be designated to the Trustee. Unless, except and to the possible extent that all or any part of the Series A to H Bonds herein authorized shall be purchased by a purchaser or purchasers at the public sale thereof, other than the HHFA, such officer or officers shall make delivery of said Series A to H Bonds to the HHFA in exchange for the outstanding HHFA Bonds as hereinafter provided. Such officers shall also at that time make delivery of said Series I, J and K Bonds (and any privately sold Series A to H Bonds) (and any future series hereafter authorized and issued pursuant to the conditions and restrictions hereinafter provided in that connection) to the purchaser or purchasers, but only upon payment, in each case, of the stated purchase price, which shall immediately be deposited, as hereinafter provided.

Section 410. Authentication. Only Bonds as shall bear thereon endorsed a certification of authentication substantially in the form hereinafter recited, executed on behalf of the Trustee by an authorized officer thereof, shall be secured by this Indenture or be entitled to any right or benefit hereunder. The authentication by the Trustee upon any Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefit of this Indenture.

Section 411. Printing of Bonds. The Bonds shall be prepared and printed in compliance with standard requirements and specifications.
Section 412. Change of Officers After Execution. In case any person who shall have signed, sealed or attested any Bond issuable under this Indenture as an officer of the Board (or whose facsimile signature as such officer shall have been caused to appear on any Bond or interest coupon), shall have ceased to be such officer before the Bond so signed, sealed or attested (by facsimile signature or otherwise) shall have been actually authenticated by the Trustee and delivered to the purchaser, such Bond nevertheless may be authenticated and delivered and issued as though the person who signed, sealed or attested such Bond or appurtenant coupons (by facsimile signature or otherwise) had not ceased to be such officer.

Any Bond issuable hereunder may be signed, sealed or attested on behalf of the Board (by facsimile signature, or manual signature, as herein provided) by any person who at the actual date of the execution or authentication of such Bond is the proper officer of the Board, notwithstanding that at the date of such Bond such person shall not have been such officer.

The Coupons to be attached to Coupon Bonds issued hereunder shall be signed by the reproduced facsimile signatures of the present Chairman and Secretary or of any future Chairman and Secretary of the Board, and the Board may adopt and use for that purpose the reproduced facsimile signatures of any persons who shall have been such Chairman or Secretary, notwithstanding the fact that either or both of them may have ceased to be such Chairman or Secretary at the time when such Bonds shall be actually authenticated and delivered.

Section 413. Registration of Bonds. The Board shall keep at the office of the Trustee books for the registration and transfer of registration of Bonds issued hereunder, which books, at all reasonable times, shall be open for inspection by the holder of any Bond issued hereunder, and upon presentation of any Bonds for such purpose at such office, the Board will register or transfer or cause to be registered or transferred therein, as hereinafter provided, and under such reasonable regulations as it may prescribe, any Bonds issued under this Indenture and entitled to be so registered or transferred. The Trustee shall act as Bond Registrar in effecting all registrations on the books kept at its office, and is hereby officially designated as the Registrar for such purposes.
All Coupon Bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner herein provided. The holder of any Coupon Bond issued hereunder may have the ownership of the principal thereof registered on said books of the Board at the office of the Trustee, and such registration shall be noted on the Bond. After such registration no transfer shall be valid unless made on the said books at the written request of the registered owner or his duly authorized attorney, and similarly noted on the Bond; but such Coupon Bond may be discharged from registration by being in like manner transferred to bearer, and thereupon negotiability and transferability by delivery shall be restored; and such Coupon Bond may again, from time to time, be registered, or transferred to bearer, as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer. Such registrations and discharges from registration shall be without expense to the holder of the Coupon Bonds, except that the holder may be required to pay any taxes or other governmental charges required to be paid with respect to the same.

Section 414. Effect of Registration of Bonds. As to all Bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes of this Indenture, and thereafter payment of or on account of the principal of such Bond shall be made only to or upon the order in writing of such registered owner thereof, but such registration may be changed as above provided. The Board, the Trustee, and the Paying Agents may deem and treat the bearer of any Coupon Bond which shall not at the time be registered as to principal, otherwise than to bearer, and the bearer of any coupon for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purposes of receiving payment thereof, and for all other purposes whatsoever, and the Board, the Trustee and the Paying Agents shall not be affected by any notice to the contrary.

Section 415. Coupons and Interest Payment Dates Maturing Before Delivery. Before authenticating any Coupon Bonds the Trustee shall cut off and cancel all matured coupons, if any, thereon and the Trustee shall deliver
to the Board a certificate of such cancellation; provided, however, that if at the time the Coupon Bonds are caused to be printed or otherwise manufactured, it shall be apparent that one or more interest coupons will be past due by the time of delivery thereof, the manufacturer may be instructed not to manufacture such past-due coupons, in which event a certificate or letter to that effect of the printer or manufacturer of the Bonds shall be furnished to the Trustee, and may be accepted by the Trustee as evidence thereof.

Section 416. Lost or Mutilated Bonds. Upon receipt by the Board and the Trustee of evidence satisfactory to them of the loss, theft, destruction or mutilation of any outstanding Bond or Bonds hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond or Bonds if mutilated, the Board may execute and the Trustee may authenticate and there may be delivered, a new Bond or Bonds of like tenor, maturity and numbering in lieu of such lost, stolen, destroyed or mutilated Bond or Bonds. Each such new Bond may bear such endorsement, if any, as may be agreed upon by the Board and by the Trustee to be necessary to evidence that it has been issued in lieu of a lost, stolen, destroyed or mutilated Bond. The Board may require the payment of the expenses which may be incurred by the Board and the fees and expenses of the Trustee in the premises.

In the event such destroyed or mutilated Bonds, or any of them, shall be due and payable within a reasonable time after notice to the Board and the Trustee of such destruction or mutilation, the Board and the Trustee may, by agreement with the claimant, with like security provisions to protect the Board and the Trustee from loss, enter into a written agreement to pay the same when due, instead of causing a Bond or Bonds to be manufactured or delivered for that purpose.

ARTICLE V

PROVISIONS FOR PAYMENT OF THE PREVIOUSLY ISSUED BONDS

Section 501. Escrow of Funds to Redeem Privately-Held Bonds. The Board does not elect to call any of said Privately-Held Bonds for redemption and payment prior to the respective maturity dates thereof; but, except to the extent that any of the Privately-Held Bonds may be redeemed or retired by the College prior to the Closing Date (and subject to a credit for such amount thereof, if any), the Board elects to provide for the payment of such Bonds, and the interest thereon, as and when the respective Bonds and appurtenant coupons are scheduled to become due and payable, with full provision for investment and security in accordance with the
provisions of, and as may be required by, the respective Trust Indentures pursuant to which said Privately-Held Bonds were issued, and/or as herein provided.

In order that such may be accomplished, the Board covenants that on the Closing Date, the Board will set aside and invest in accounts known as the "Murray State College Privately-Held Bond and Interest Redemption Escrow Fund," to be deposited and maintained at the Trustee named in this Trust Indenture or at the respective Trustees under the respective Trust Indentures securing the Privately-Held Bonds, as the Board may determine, out of other available funds derived from Previous Revenue Funds, Previous Sinking Funds, Previous Repair and Maintenance Funds and/or from the Board's other resources, if necessary, such respective sums as will be sufficient to provide for the payment of interest and/or interest and principal becoming due on the aforesaid Privately-Held Bonds, as such Privately-Held Bonds and interest coupons thereof respectively become due; such investment to be in one or another of the following manners (or some combination thereof) and not otherwise:

(a) In one or more Certificates of Deposit (as defined in paragraph (16) of Section 101 of ARTICLE I of this Indenture) in which event the assured and secured amounts payable from time to time according thereto may be taken into account in determining that such outstanding Privately-Held Bonds, and the interest thereon, will be paid when due; or

(b) In interest-bearing obligations of the United States Government (or interest-bearing obligations with respect to which the payment of both principal and interest, when due, is unconditionally guaranteed by the United States Government), which mature at or within thirty (30) days prior to the time or times when the invested funds will be required, and which are not subject to prior redemption or payment at the option of the issuer thereof; in which event the principal and assured interest earnings may be taken into account in determining that such outstanding Privately-Held Bonds, and interest thereon, will be paid when due; or

(c) In interest-bearing obligations of the United States Government (or interest-bearing obligations with respect to which the payment of both principal and interest, when due, is unconditionally guaranteed by the United States Government), maturing or subject to prior payment at the option of the issuer at any time; in which event (i) the principal amount only thereof may be taken into account in determining that such outstanding Privately-Held Bonds, and interest thereon, will be paid when due, (ii) the interest anticipated to be received therefrom may not be so taken into account, (iii) provision shall be made for reinvestment of the cash proceeds thereof from time to time, if required, in other securities meeting one or another of the qualifications set forth in (a), (b) or (c), and (iv) interest income from such investments, when and as received from time to time, shall be deposited in and similarly invested for the account of said "Privately-Held Bond and Interest Redemption Escrow Fund," until all of said outstanding Privately-Held Bonds shall have been paid in full, both interest and principal; and at such time any surplus moneys and/or investments in said fund shall be transferred by said Trustee(s) and deposited in the System Sinking Fund created in this Indenture, for credit to the System Debt Service Reserve therein, and for disposition as in the case of other moneys provided to be deposited therein.

Said permissible investments shall be delivered into the custody of the Trustee named herein or such respective Trustees under the respective Indentures authorizing the issuance of said Privately-Held Bonds, upon execution and delivery to the Board of an escrow agreement or agreements in form(s) and substance acceptable to Bond Counsel, by the terms and provisions of which said Trustee(s) shall acknowledge
receipt thereof, and shall agree that as the same mature and are paid, the proceeds thereof (and the proceeds of reinvestments, if applicable) will be applied solely to the then maturing interest and/or interest and principal of said Privately-Held Bonds until such time as all of same have been paid; and will in due and timely fashion be transmitted to or made available to the respective paying agents (or their respective legal successors), with respect to said Privately-Held Bonds, in order that such moneys will, without fail, be available at the appointed time and place for payment of the principal of and interest on said Privately-Held Bonds, as and when the Bonds and interest coupons thereon are stated to be due and payable. The Treasurer shall preserve a copy of said escrow agreement(s) as evidence that the Board has made full provision for the payment of said Privately-Held Bonds, with interest thereon, as and when said Bonds and the appurtenant interest coupons mature from time to time.

Section 502. Discharge of the HHFA Bonds by Exchange and/or Payment; Release of Respective Trust Indentures. The HHFA Bonds, described in Section 203 of ARTICLE II of this Indenture, are secured by respective Trust Indentures made by the Board with the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, and The Kentucky Trust Company, Louisville, Kentucky, respectively, as the case may be, as indicated below, under the respective dates set out below. The outstanding Six Million, Six Hundred Thirty Thousand Dollars ($6,630,000) of said HHFA Bonds (the amount which will be outstanding after the prepayment by the Board of $17,000 of outstanding Bonds in order to round the amount of HHFA Bonds of each outstanding issue to a multiple of $5,000) are all owned and held by the HHFA, and according to the terms and provisions of the Board's aforesaid HHFA Loan Agreement for Project No. CH-Ky-90(D)(Rev.), it has been agreed that on the Closing Date, the HHFA will surrender the same to the Board for cancellation, upon the Board's issuance to the HHFA of the respective Series A to H Bonds authorized herein, unless, except and to the possible extent that all or any part of said Series A to H Bonds shall be purchased by a purchaser or purchasers at the public sale thereof other than the HHFA, in which event, to that extent, the HHFA shall be paid cash in lieu of the issuance of such of the maturities of said Series A to H Bonds as shall be purchased by a non-HHFA purchaser.

In Articles contained in said respective Trust Indentures securing said respective HHFA Bonds, and said respective Privately-Held Bonds, it is provided that whenever the Board shall pay, or cause to be paid, the full amount due and to become due upon all of the Bonds secured by said respective Trust Indentures and then outstanding, or shall provide for full payment thereof by depositing, for the discharge of such Bonds and coupons, the entire amount due and to become due thereon, then the
respective trusts shall cease and terminate, and further payment from the revenues thereby pledged to the respective Trustees shall thereupon cease, terminate and become void. Said respective Trust Indentures further provide that any properly made deposit of money for the purpose of paying, and sufficient in amount to pay, certain of the Bonds and interest due, and to become due thereon, or certain of the Coupons appertaining thereto, shall discharge the liability of the Board on the Bonds and/or Coupons for payment of which such deposit shall be made, that thereafter such Bonds and Coupons shall not be entitled to any of the benefits of the respective Trust Indentures, and that the (respective) Trustee shall thereupon execute and deliver to the Board, on demand, at the cost and expense of the Board, all proper instruments that may be necessary to evidence the satisfaction and termination of the respective Indentures.

Effective as of the Closing Date, the proceeds of the sale of the $6,630,000 of Series A to H Bonds (together with other available funds of the College, to the extent needed) shall be applied as follows:

(a) In the event that the HHFA is awarded all of the Series A to H Bonds, pursuant to the exchange agreement aforesaid, said Series A to H Bonds, issued (at the election of the HHFA) as new single, Fully Registered Bonds for said respective Series, shall be exchanged with the HHFA for the outstanding HHFA Bonds, together with a cash payment by the Board to the HHFA of such sum as shall represent the difference between the principal amount of the Bonds of said Series and the principal amount of the HHFA Bonds surrendered to the College (such difference resulting from the fact that the various Series of Bonds authorized herein are in multiples of $5,000), with such adjustment of interest following the payment by the Board to the HHFA of the interest payment falling due immediately preceding or on the Closing Date, as may be necessary to eliminate the payment of any duplicate interest by the Board and any loss of interest by the HHFA, and with the payment by the Board to the HHFA of such further sums, if any, as may be required (through maturity of such sums) by reason of any undue delay in the Closing Date beyond the date of maturity of any outstanding HHFA Bonds.

(b) If a bidder other than the HHFA is the successful bidder for said entire $6,630,000 of Series A to H Bonds, the proceeds of the sale thereof (but excluding any premiums), plus accrued interest from the most recent interest payment date to and through the Closing Date, representing (not less than) the amount necessary to pay the respective principal amounts of said outstanding HHFA Bonds, plus accrued interest, if any (and any additional necessary funds, if any), shall be deposited with the respective Trustees of said HHFA Bonds, to be held in trust exclusively for the
immediate (on the Closing Date) redemption, payment and retirement of said HHFA Bonds, when surrendered for payment at that time; and upon such payment being made, said HHFA Bonds shall be cancelled and destroyed and a record thereof made and preserved by the respective Trustees and by the Treasurer of the College; and any balance remaining thereafter shall be transferred to the System Sinking Fund herein created.

(c) In the event that the HHFA is awarded (pursuant to said exchange agreement) only a portion of said Series A to H Bonds and a bidder other than the HHFA is the successful bidder for the remainder of said Series A to H Bonds, then on or about the Closing Date, there shall be delivered (1) to the non-HHFA purchaser of that portion of said Series A to H Bonds, the amount of said Series A to H Bonds purchased by such purchaser, in which event, the purchase price thereof (exclusive of any premiums paid), consisting of the face amount of the Bonds purchased plus accrued interest from the most recent interest due date prior to the Closing Date, shall be deposited with the respective Trustees, to be applied for the immediate redemption, payment and retirement of an equivalent portion of the aforesaid respective HHFA Bonds, and (2) there shall further be delivered to the HHFA, to the extent of the maturities of the Series A to H Bonds so awarded to the HHFA, such amount thereof, issued as new single, Fully Registered Installment Bonds of said respective Series, representing the amount of such award, and said new Fully Registered Installment Bonds, together with the cash proceeds of the sale of the remaining Series A to H Bonds purchased by the non-HHFA purchaser, shall be delivered and paid to the HHFA in exchange for the surrender by the HHFA, as set out above, of the aforesaid HHFA Bonds, for redemption and retirement at that time.

(d) If and to the extent of any premium, if any, received in connection with the sale of any of said Series A to H Bonds, such premium shall be deposited into the System Debt Service Reserve hereinafter created.

Simultaneously therewith, the Treasurer of the College is authorized:

(1) To tender said HHFA Bonds to the respective former Trustees, the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, and The Kentucky Trust Company, Louisville, Kentucky, as aforesaid, for cancellation of the respective Bonds as to which said institutions have been Trustees.

(2) To make settlement with said Trustees for their proper compensation and expenses.
(c) To provide to said respective Trustees any supporting documentation which may reasonably be required by said Trustees to evidence all of the foregoing, and

(4) To demand and receive from said Trustee a complete and final discharge (or to make complete and final provision for ultimate discharge upon final maturity) of the Privately-Held Bonds of said respective Trust Indentures in form acceptable to Bond Counsel, said respective Trust Indentures being the Trust Indentures from the College to the respective Trustees, which are on record in the office of the County Clerk of Calloway County, Kentucky, as follows:

(a) Trust Indentures to The Kentucky Trust Company,

1. Dated December 1, 1955, and recorded in Deed Book 128, Page 67;
2. Dated April 1, 1961, and recorded in Deed Book 40, Page 285;
3. Dated September 1, 1961, and recorded in Deed Book 116, Page 271;
4. Dated September 1, 1962, and recorded in Deed Book 121, Page 1;
5. To the Lincoln Bank and Trust Company (which has since become merged into The Kentucky Trust Company), dated November 1, 1957, and recorded in Deed Book 128, Page 91.

(b) Trust Indentures to the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky,

1. Dated February 1, 1960, and recorded in Deed Book 38, Page 203;
2. Dated June 1, 1960, and recorded in Deed Book 40, Page 23; and
3. Dated September 1, 1963, and recorded in Deed Book 123, Page 209.

Section 503. Board is Entitled to Existing Funds. The provisions of the foregoing Sections 501 and 502, inclusive, of this ARTICLE V of this Indenture are such as to make provision for the complete discharge of all of the Board's contractual obligations and commitments to the owners and holders of all of the aforesaid Previously Issued Bonds as will be outstanding and unpaid as of the Closing Date, without regard for such amount or amounts, if any, as may at the Closing Date have been deposited and accumulated in any special funds or accounts provided to be established, accumulated and maintained according to the respective proceedings of the Board incident to the issuance thereof.

Such being the case, the Board will be entitled, on the Closing Date, to receive from the State Treasury and from the respective Trustees, above identified, in connection with any of the Previously Issued Bonds, all sums which have been
deposited from time to time by the Board, have not previously been disbursed for authorized purposes, and are accumulated and held in any such special funds, whether represented by cash or by permissible investments; but only to the extent that such funds are deemed surplus to the requirements of Section 503 hereof.

When, upon the Closing Date, the Treasurer shall have complied in all respects with the provisions hereinabove set forth in Sections 502 and 503, inclusive, of this ARTICLE V, the Treasurer shall be entitled to demand from each such depository, custodian or trustee, as the case may be, a remittance to the Board of any and all such accumulated cash and/or investments; and upon receipt thereof, the Treasurer is authorized and directed, acting in the name and on behalf of the Board and without further affirmative action upon the part of the Board, to execute and deliver one or more proper receipts therefor, in such form or forms as may reasonably be requested in that connection. Each such custodian, depository or trustee, as the case may be, is hereby authorized to make such remittance to the Treasurer, and to accept and to rely upon such receipt or other acknowledgements thereof, signed by the Treasurer, as herein authorized and provided.

Section 504. Application of Existing Funds. When the Treasurer shall have received from each such custodian, depository or trustee, as the case may be, the remittances to the Board of the moneys and/or investments referred to in the foregoing Section 503 of this ARTICLE V, the Treasurer shall make disposition of all cash and/or investments so received, as provided in this Indenture; but it shall not be the responsibility of any such custodian, depository or trustee to see to the proper application and distribution thereof on the part of the Treasurer.

Section 505. Disposition of Surplus in Various Previous Funds. In order to clarify the duties of the Treasurer with reference to the disposition of any and all surplus moneys and/or investments which have been or may have been deposited and accumulated with any custodian, depository or trustee in any of the Previous Funds mentioned, in connection with any of the Previously Issued Bonds, and which on the Closing Date or thereafter may be or become surplus to all provisions made in this Indenture for fulfilling and discharging the obligations and commitments of the Board to the owners and holders of such Previously Issued Bonds, the Treasurer is hereby authorized and directed to make disposition of such surplus moneys and/or investments as follows:

(a) Surplus moneys and/or investments recovered or to be recovered from any Previous Sinking Fund (including any debt service reserve or reserve for contingencies therein) shall be deposited in the
System Sinking Fund; and, to the extent that the same may at the
time be in excess of the payments then currently required to be
made into the System Sinking Fund to meet principal and interest
requirements of the Bonds maturing in the then current Fiscal
Year, the same shall be credited to the Debt Service Reserve in
the System Sinking Fund;

(b) Surplus moneys and/or investments recovered from Previous Repair
and Maintenance Reserves shall be deposited with the Trustee for
credit to the System Repair and Maintenance Reserve for which
 provision is made in this Indenture; and

(c) Surplus moneys and/or investments in the Previous Revenue Funds,
as provided to be maintained in the custody of the Treasurer of
the Board, shall be transferred to and deposited in the System
Revenue Fund for which provision is made in this Indenture.

It is declared to be the purpose of the Board, as in this Section sought
to be clarified, that all deposits and accumulations heretofore made, or herein con-
templated to be made prior to the Closing Date in all Previous Sinking Funds, all
Previous Repair and Replacement Reserves, and all previous Revenue Funds, shall first
be applied, to whatever extent may be necessary, in satisfying the Board's obligations
and commitments to the owners and holders of all of its Previously Issued Bonds; and
shall thereafter be transferred and deposited, but only to the extent of the surplus
thereof, to the corresponding special funds or accounts which are created in this
Indenture for the security and source of payment of Bonds and parity Bonds issued
under authority of this Indenture.

ARTICLE VI

BONDS OF SERIES A TO K (AND FUTURE
SERIES) TO BE OFFERED AT PUBLIC SALE.

Section 601. Sale Terms to be Fixed by Board. The Bonds of Series A to
K, as specifically authorized in and secured by the terms and provisions of this
Indenture (and any future Series of Bonds for additional housing and dining facil-
ities or related auxiliary enterprises, hereafter authorized by the Board subject to
the conditions and restrictions set forth in ARTICLE XI of this Indenture) shall be
sold in such manner as the Board may provide from time to time, in accordance with
the provisions of the applicable Loan Agreement(s).

Section 602. Board to Certify Sale Result to Trustee. Within a reasonable
time after the Board has sold Bonds of any Series, the Board shall deliver to the
Trustee a properly authenticated copy of the award proceedings, specifying the name or
names of the successful purchase bidder(s), prices, interest rates, and such other details
as may be material to the Trustee in the performance of its functions and duties under
this Indenture. The Trustee shall be authorized to accept and rely upon the facts set
forth in such authenticated copy of the award proceedings in its authentication of Bonds.
ARTICLE VII
CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 701. Series A to H Exchange and Redemption Fund. The proceeds of the sale of any of said Series A to H Bonds as may be purchased by a non-Governmental purchaser shall be set aside into a separate Escrow Account on deposit with the Trustee, entitled "Murray State College Housing and Dining System Series A to H Exchange and Redemption Fund," said deposit to be in escrow and specifically earmarked for the purpose of, and immediately used solely and only for the purpose of prepaying an equivalent amount and identical maturities of the outstanding HHFA Bonds corresponding to the Bonds of Series A to H so purchased by said non-Governmental purchasers; and simultaneously therewith, as otherwise set out herein, the College will issue and deliver to the HHFA the remaining Series A to H Bonds in exchange for surrender by the HHFA to the College of the unpaid outstanding previously issued HHFA Bonds.

Section 702. Creation of Construction Funds. Effective as of the Closing Date, three funds are hereby created and are designated, respectively, the "Murray State College Housing and Dining Construction Fund, Series I," "Murray State College Housing and Dining Construction Fund, Series J," and "Murray State College Housing and Dining Construction Fund, Series K," to the credit of which there shall be deposited the cash proceeds of the respective Series I, J and K Bonds, as set out in the ensuing Section.

Section 703. Deposit and Application of Construction Funds. On the Closing Date, and upon the Treasurer's receiving, on behalf of the Board, the cash proceeds of said respective Series I, J and K Bonds, the Treasurer shall deposit in the System Sinking Fund all sums received from the purchaser or purchasers of said respective Series, as representing accrued interest from the date of delivery of said respective Series, together with such additional respective sums from the proceeds of the respective Series I, J and K Bonds, as will cause the aggregate amount so deposited from the proceeds of said Series I, J and K Bonds, into the System Sinking Fund to be equal to the interest which will accrue upon said three Series of Bonds during the anticipated period required for the construction and development of the aforesaid Series I, J and K Projects, and until the same shall become revenue producing, as shown by an estimate of the Architects having supervision of the construction of said three Projects, such estimate to be approved by the Commissioner and filed with the Trustee. If, for any reason, any of said three Projects shall become revenue producing at a time later than as contemplated by this Section, then within thirty (30) days preceding each
March 1 and September 1 thereafter until such Project(s) shall become revenue-producing, there shall be transferred from the respective Construction Fund(s) an amount sufficient to pay the interest on said respective Series of Bonds becoming due on said date(s), and the Board covenants and agrees to cause each such transfer and payment to be made, the same to be applied toward the payment of the next maturing interest coupons appurtenant to such respective Series I, J and K Bonds.

After such dispositions of portions of the respective proceeds of said Series I, J and K Bonds, the balances of such respective proceeds shall be deposited by the Treasurer of the College with the Depository, each with its separate designation, and shall be held in trust by said Depository (with any supplemental funds provided from other sources) and applied on orders of the Board to the payment of the costs of the respective Projects for which the Series I, J and K Bonds are issued, in accordance with and subject to the provisions of this ARTICLE, and, pending such application, shall be subject to a lien and charge in favor of the holders of the Series I, Series J and Series K Bonds, respectively, as issued and outstanding under this Indenture and shall be held for the further security of such holders until paid out as herein provided.

Section 704. Investments of Construction Funds. If it be determined at any time by the Board that the moneys on deposit in the Series I Construction Fund, the Series J Construction Fund and the Series K Construction Fund, or any one or more of same, exceed the estimated current disbursements authorized to be made therefrom on account of said Series I, J and/or K Projects, respectively, such excess shall be invested by the Depository in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, having a maturity date or being subject to redemption at the option of the holder, according to a schedule of anticipated disbursements, as prepared by the architects and/or engineers having supervision of construction; and all such investments as well as all income therefrom shall be carried to the credit of said respective Construction Funds.

Section 705. Repayment of Interim Financing. In the event the Board has obtained advances of funds from any source to defray all or any part of the costs of constructing any of the Series I, J and/or K Projects, in anticipation of the receipt of proceeds of the Series I, J and/or K Bonds, such advances may be repaid from the Bond proceeds after deposit thereof in the respective Series I, J and/or K
Section 706. Application of Surplus in Construction Funds. As and when any one or more of the Series I, J and K Projects shall have been completed and audited, any balance(s) remaining in the respective Series I, J and K Construction Funds and not necessary in the opinion of the Board to be reserved for the payment of any remaining part of the costs of said respective Project(s), shall be deposited by the Depository with the Trustee to the credit of the System Debt Service Reserve, and, except for any portion of such balance(s) remaining under $5,000, shall be used for the redemption of the respective Series I, J and K Bonds then outstanding under this Indenture, in accordance with the redemption and prepayment provisions set forth in said Bonds and in this Indenture, upon the earliest permissible redemption date; provided that if and to the extent that such respective Series I, J and K Bonds have been purchased and are then held by the HHFA, and by reason thereof are subject to redemption and payment at the option of the Board without regard for the redemption provisions otherwise herein provided to be applicable to such Series I, J and K Bonds if the same are privately held, such surplus shall be so applied to prepayments of said Bonds in inverse chronological order of maturity. In the event that none of the outstanding Series I, J and K Bonds are then subject to redemption and payment either by call or by agreement with the HHFA, then any such surplus remaining in the respective Series I, J and K Funds shall be transferred by the Depository and deposited in the System Debt Service Reserve for accumulation, investment, reinvestment or disposition, as otherwise herein provided in connection therewith.

ARTICLE VIII
REDEMPTION PROVISIONS

Section 801. Bonds May be Redeemable. With respect to Bonds of any Series issued by the Board pursuant to this Indenture, the Board may reserve such options or privileges of redemption prior to stated maturities as the Board may from time to time prescribe, subject to such terms and conditions concerning notice, restrictive dates or redemption, premiums, or otherwise, as the Board may see fit to determine in proceedings duly had and taken prior to the issuance of each respective Series.

Section 802. Redemption Provisions. With respect to the Bonds of Series A to K, inclusive (the word "Bonds," as used in this connection, being applicable
indiscriminately to Bonds in Coupon Form and corresponding installments of principal of Bonds in Fully Registered Form), the Board reserves certain options or privileges of redemption (or prepayment, as applicable), as follows:

(a) Bonds of Series A to K, inclusive, are subject to redemption from the proceeds of insurance, in the event of damage or destruction of properties constituting parts of the Housing and Dining System, as provided in this Indenture;

(b) Surplus funds in the "Series I Construction Fund," in the "Series J Construction Fund," and in the "Series K Construction Fund," as provided for in this Indenture, will be applied, respectively, to the redemption of the respective Bonds of Series I, J and K, in the inverse order of their numbering; or shall be deposited in the System Debt Service Reserve under the conditions set forth in Section 706 of this Indenture;

(c) Certain Bonds of each of said Series shall (if and so long as the same may be held by the United States Government, but not otherwise) be subject to redemption at the option of the Board in inverse numerical order at any time subsequent to the date of the Bonds, at par plus accrued interest to the date of redemption, upon notice as hereinafter provided;

(d) Subject to all of the foregoing, and the provisions for notice as hereinafter set forth, the Bonds of Series A to K, inclusive, shall be subject to redemption at the option of the Board, as follows:

Bonds maturing on and prior to September 1, 1975, shall not be subject to redemption except from the proceeds of insurance as provided in this Indenture.

Bonds maturing on and after September 1, 1976, shall be subject to redemption prior to their stated maturities either

(1) in part, in inverse numerical order from Revenues accumulated in the System Sinking Fund properly available
for such purpose, on any interest payment date on or after September 1, 1975; or

(2) in whole from any moneys which may be made available from any source for such purpose, on any interest payment date not earlier than September 1, 1975,

at the principal amount of the Bonds to be redeemed, together with interest to the designated redemption date at the respective applicable interest rates, plus a redemption premium in accordance with the following schedule, which is expressed in terms of a percentage of the principal amount:

<table>
<thead>
<tr>
<th>IF REDEEMED</th>
<th>REDEMPTION PREMIUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 1, 1975, through March 1, 1980</td>
<td>3%</td>
</tr>
<tr>
<td>September 1, 1980, through March 1, 1985</td>
<td>2-1/2%</td>
</tr>
<tr>
<td>September 1, 1985, through March 1, 1990</td>
<td>2%</td>
</tr>
<tr>
<td>September 1, 1990, through March 1, 1995</td>
<td>1-1/2%</td>
</tr>
<tr>
<td>September 1, 1995, through March 1, 2000</td>
<td>1%</td>
</tr>
<tr>
<td>Without premium on and after September 1, 2000, to final maturity.</td>
<td></td>
</tr>
</tbody>
</table>

Section 803. Pro Rata Redemptions of Various Series. If the Board at its option undertakes to redeem outstanding Bonds in advance of scheduled maturity, it is agreed and understood that (1) except for the redemption of Series I, J and K Bonds through application of surplus moneys in the respective Construction Funds (and as similar conditions may hereafter be prescribed, in the discretion of the Board, in connection with the issuance of any future Series of Bonds), calls of Bonds from surplus Revenues accumulated in the System Sinking Fund and available for such purpose shall be on a pro rata basis reflecting the relationship between the Bonds of each Series at such time outstanding, and the total amount of Bonds of all Series at such time outstanding, and (2) calls of Bonds of each Series shall be in accordance with the redemption provisions of each Series.

Section 804. Publication of Notice of Redemption. Notice of any such intended redemption, identifying the Bonds to be redeemed, will be on file at the office of the Trustee at least thirty (30) days prior to the specified redemption date, and such notice shall be published at
least once not less than thirty (30) days prior to said redemption date in a financial newspaper or journal of general circulation published in the English language in New York City, New York. Notice of redemption may be waived with the written consent of the holder(s) of the Bond(s) called for redemption. Any Bonds called for redemption and for the payment of which funds are on deposit with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

Section 805. Funds Available For Redemption. On or before the redemption date specified in the notice above provided for, the Board shall, and it hereby covenants that it will, deposit with the Trustee an amount in cash sufficient to effect the redemption of the Bonds specified in such notice, and/or direct that the Trustee apply to such purpose moneys theretofore deposited with the Trustee under the provisions of this Indenture and properly available for such purpose. All moneys deposited by the Board with the Trustee or set apart by the Trustee under the provisions of this Indenture for the redemption of Bonds shall be held in trust for account of the holders of the Bonds so called for redemption, and shall be paid to them, respectively, (a) upon presentation and surrender of Coupon Bonds accompanied by all interest coupons, if any, maturing on or after the date fixed for redemption thereof, or (b) upon presentation of Fully Registered Bonds for endorsement of prepayment of principal installments; provided, however, if any such Coupon Bonds shall be registered, or the whole principal balance of a Bond in Fully Registered Form is prepaid, the same shall be endorsed in blank for transfer if the Trustee shall so require.

Section 806. Compliance with Redemption Provisions Terminates Interest. From and after the date of redemption or prepayment designated in such notice (such notice having been given as aforesaid and such deposit having been made or moneys set apart as aforesaid), no further interest shall accrue upon any of
the Bonds (or principal installments) so to be redeemed, and any coupons for interest pertaining to any such Coupon Bonds and maturing after such date shall be void, and all such Bonds, insofar as such deposit shall have been made or moneys set apart as aforesaid, and all such coupons, shall cease to be entitled to the benefit of the lien of this Indenture, and the Board shall be under no further liability in respect thereof.

Section 807. Cancellation of Bonds Redeemed. All Coupon Bonds so redeemed and all Bonds in Fully Registered Form prepaid in their entirety, shall forthwith be cancelled by the Trustee, which shall deliver such cancelled Bonds to the Board.

ARTICLE IX
THE HOUSING AND DINING SYSTEM; REVENUES; SEGREGATION; SPECIAL FUNDS.

Section 901. Establishment of Housing System. Effective as of the Closing Date, and upon consummation at that time of the arrangements set forth in ARTICLE V of this Indenture wherein provision is made for the full and complete discharge by the Board of all of its contractual obligations and commitments to the owners and holders of its Previously Issued Bonds, including the Privately-Held Bonds and the HHFA Bonds, the Board hereby establishes its "Murray State College Housing and Dining System," comprising and including all of the educational buildings for housing, dining and student union purposes, appurtenant facilities and auxiliary enterprises (other than such buildings as may hereafter be constructed for, and as may hereafter be leased to, fraternities and sororities) presently situated at the College's Campus at Murray, Kentucky, specifically including (but not by way of limiting the generality of the foregoing), the aforesaid housing, dining and student union buildings, appurtenant facilities and related auxiliary enterprises identified as Woods Hall, Waterfield Student Union Building, Richmond Hall, Clark Hall, College Court I, Franklin Hall, Winslow Cafeteria, College Court II, Elizabeth Hall, Springer Hall, Wells Hall and Ordway Hall, and the Series I, J and K Projects consisting of the proposed new Hart Hall, College Court III, Hester Hall and Bob White Hall (for which latter three projects the Series I, J and K Bonds are each to be issued); and additionally comprising such other
new additional, reconstructed or enlarged educational buildings, appurtenant facilities and auxiliary enterprises for housing, dining and student union purposes (and any of such buildings as may be hereafter constructed for, and under lease to, fraternities and sororities, or by lease from others, under the circumstances referred to in Section 1410 hereof), as may hereafter be added thereto and made a part thereof according to the provisions of this Indenture.

Section 902. Creation of Revenue Fund and Deposit of Revenues. Effective as of the Closing Date, and thereafter, the Board agrees that it will deposit to the credit of a special fund upon its books, the same to be designated the "Murray State College Housing and Dining System Revenue Bonds Revenue Fund Account" (the "System Revenue Fund Account") all Revenues of the System, as defined in this Indenture; except that the net profits of the dining facilities and other auxiliary enterprises of the Housing and Dining System (as hereinbefore defined), shall be deposited therein not less frequently than quarterly, based upon the operating records and accounts of the Board relating thereto, and subject to adjustment as of the end of each Fiscal Year according to the annual audit for such Fiscal Year. There shall also be deposited in said System Revenue Fund Account all moneys which on the Closing Date are held in the Previous Revenue Fund Accounts (or the equivalent funds or accounts, howsoever designated, which have been established and are maintained in connection with each issue of the Previously Issued Bonds), including moneys on hand or in transit for the credit thereof whether or not actually deposited therein, to the extent that the same are surplus to the provisions hereinbefore or hereinafter made for the payment and/or redemption of all of the then outstanding Previously Issued Bonds. When such transfers have been made from said Previous Revenue Fund Accounts, the same may be closed upon the books of record and account of the Board (and of the respective Trustees or depositaries, if any).

Section 903. Segregation of Revenue Fund. Said System Revenue Fund Account shall be held in the custody of the Treasurer of the Board, separate and apart from all other funds and accounts of the Board and of the College; shall be maintained, so long as any of the Bonds are outstanding, as a trust fund in a bank or banks which are members of FDIC, or in the Treasury of the Commonwealth; and shall be expended and used by the Treasurer only in the manner and order hereinafter specified.

Section 904. Sinking Fund. Effective on the Closing Date, there is hereby created a separate account upon the books of the Trustee to the credit of the Board, to be designated "Murray State College Housing and Dining System Revenue Bond and
Interest Sinking Fund Account" (the "System Sinking Fund"). So long as any of the Bonds are outstanding said System Sinking Fund shall be maintained and deposited with the Trustee and shall be used by the Trustee to pay interest as it becomes due on Bonds from time to time, and to pay and to retire the Bonds at or before maturity in accordance with the provisions of this Indenture, and to accumulate a reserve therefor as hereinafter provided.

In connection with the establishment and maintenance of the System Sinking Fund, the Board covenants and agrees, as follows:

(1) That upon the Closing Date, and upon surrender by HHFA to the Board of the outstanding HHFA Bonds, in exchange for the issuance by the Board to HHFA of the Bonds, Series A to H, inclusive (and/or the payment of cash if and to any extent that any of the maturities of said Series A to H Bonds shall be purchased by a non-HHFA purchaser), a computation shall be made reflecting any adjustment of interest which may be proper as an incident to such exchange (and in order to avoid duplication of interest with respect thereto). The net amount shown by such computation to be due to the Board, if any, shall be deposited by the Board in the System Sinking Fund; and the net amount shown by such computation to be due from the Board, if any (including the amounts necessary to retire portions of principal of certain outstanding HHFA Bonds as authorized and provided for in Section 502 hereof), shall be paid over to the HHFA from moneys recovered from Previous Revenue Funds or Previous Sinking Funds hereunder, or from other resources of the Board, if necessary.

(2) That upon the Closing Date there shall be deposited in the System Sinking Fund (a) the applicable accrued interest, if any, received from the purchasers at the time of the delivery of the Series I, J and K Bonds, plus (b) such further sums from the Series I, J and K Bond proceeds deposited in the Series I, J and K Construction Funds or from other sources as will cause the total so deposited in said respective Funds to be equal to all interest maturing on said respective Series I, J and K Bonds until the respective Series I, J and K Projects become revenue-producing (for not exceeding, however, a period of three (3) years from September 1, 1965).
(3) That upon the Closing Date the Board will cause to be deposited in the System Sinking Fund any balances which may then be recovered from Previous Sinking Funds; and thereafter from time to time such moneys in the Previous Sinking Funds (and any Debt Service Reserves therein) as may be determined to be surplus to the requirements of ARTICLE V of this Indenture in connection with the Board's discharge of its contractual obligation to the holders of its outstanding Previously Issued Bonds.

(4) Thereafter the Board will transfer from the Revenues (whether from the balances recovered from Previous Revenue Funds, or from the Board's other resources, if necessary), and deposit with the Trustee in the System Sinking Fund a sum which, together with such sums as may be transferred from Previous Sinking Funds, shall be equal to the maximum amount which will become due in any Fiscal Year thereafter for the principal of and interest on all then outstanding Bonds of Series A to Series K, inclusive, as computed when the Series A to K Bonds have been publicly sold and the interest rate or rates applicable thereto have been determined by the Board and certified to the Trustee.

(5) Commencing with the February 1 or August 1 next following the Closing Date, the Board shall transfer from the System Revenue Fund, as the first charge thereon, and deposit to the credit of the System Sinking Fund created in and by this Indenture on or before each succeeding February 1 and August 1, the following amounts:

(a) An amount which, together with such sums as may then be available in said System Sinking Fund, shall be equal to the next succeeding interest payment to become due on all then outstanding Bonds.

(b) On or before August 1, 1966, an amount which, together with such funds as may then be available for such purpose in the System Sinking Fund (whether by reason of transfers from Previous Sinking Funds, or otherwise), shall be equal to the principal payments of the Bonds becoming due on September 1, 1966.

(c) On each subsequent February 1 and August 1 (commencing on February 1, 1967) an amount which shall be equal to one-half (1/2) of the principal payment to become due during the next succeeding twelve (12) months on all then outstanding Bonds; and
(d) Provided, however, that the combined amounts of the semi-annual transfers, beginning on the February 1 or August 1, as the case may be, next following the issuance of any additional Series of parity Bonds which may be issued according to the conditions and restrictions hereinafter provided in that connection, shall be increased in each year to equal at least twenty-five percent (25%) of the average annual debt service requirements for principal thereof and interest thereon, and shall be continued (in that amount or so much thereof as may be necessary), so long as the funds and/or investments in the System Debt Service Reserve shall be less than an amount sufficient to pay the maximum amount which will become due in any Fiscal Year thereafter for the principal of and interest on all then outstanding Bonds.

Section 905. System Debt Service Reserve. The amount by which the aforesaid payments into the System Sinking Fund exceed the aggregate amount of interest on and principal of said Bonds then currently becoming due shall be held as the System Debt Service Reserve; provided, however, that no further payments need be made into said System Sinking Fund whenever and so long as such amount of the Bonds shall have been retired that the amount then held therein, including the Reserve, or funds provided from any source, is sufficient to accomplish the retirement of all of the Bonds then outstanding and to pay all interest that is to be paid on all of such Bonds at or prior to such retirement.

If, for any reason, there shall be a failure to make any payments into said System Sinking Fund as aforesaid, any sums then held as the System Debt Service Reserve shall be used for the payment of any portion of the interest or principal as to which there would otherwise be default.

All moneys held in the System Sinking Fund shall be held, secured and invested by the Trustee, as provided in and by this Indenture. Said System Sinking Fund shall be used solely and only for the purpose of paying the interest on said Bonds secured hereby and accomplishing retirement of said Bonds at or before maturity, and is hereby irrevocably pledged for that purpose, and shall be used for no other purpose whatsoever, and only the amount in said System Sinking Fund in excess of an amount sufficient to pay (a) the interest falling due on the ensuing March 1 and September 1, (b) the principal maturing on the ensuing September 1, and (c) the maximum amount thereafter to become due for principal of and interest on all outstanding Bonds.
in any future Fiscal Year, may be used at any time for the redemption of Bonds in advance of maturity.

Section 906. Arrangements Between Trustee and Paying Agents. During the thirty (30) days preceding each March 1 and September 1, the Trustee shall transfer from the System Sinking Fund, to a special account, funds sufficient to pay all interest, or principal and interest, maturing on such March 1 or September 1, together with Paying Agents' fees; and the Trustee shall make such arrangements with each Paying Agent as to assure the prompt payment of maturing principal and interest as may there be presented. The Trustee shall make similar arrangements in the event of redemption of any Coupon Bonds or prepayment of principal of Bonds in Fully Registered Form, pursuant to ARTICLE VIII of this Indenture.

Section 907. Repair and Maintenance Fund. Upon the Closing Date there shall be and there is hereby created a special account upon the books of the Trustee to the credit of the Board, separate and apart from all other accounts and funds, the same to be designated "Murray State College Housing and Dining System Repair and Maintenance Reserve" (the "System Repair and Maintenance Reserve").

On the Closing Date, the Board shall cause to be deposited in the System Repair and Maintenance Reserve a sum equal to the aggregate of all amounts then on deposit in all Previous Repair and Maintenance Reserves, whether then represented by cash or by investments.

After first observing from time to time the priority of payments from the System Revenue Fund for the account of the System Sinking Fund and the System Debt Service Reserve, the Board covenants and agrees that as of the close of each Fiscal Year ensuing after the Closing Date it will transfer from the System Revenue Fund and deposit in the System Repair and Maintenance Reserve the sum of Twenty-Five Thousand Dollars ($25,000), or so much thereof as may be available for transfer, until the funds and/or investments therein aggregate Four Hundred Fifty Thousand Dollars ($450,000), and thereafter such sums in the maximum amount which may be available for transfer at the close of each Fiscal Year, to maintain the balance of Four Hundred Fifty Thousand Dollars ($450,000); provided, however, that beginning with the Fiscal Year
during which any additional Series of parity Bonds is issued according to the conditions and restrictions hereinafter provided in that connection, the annual transfer shall be increased by one-fourth of one percent (\(\frac{1}{4}\) of 1%) or such portion thereof as may be available for transfer) of the original principal amount of any such additional Series of parity Bonds and shall be continued so long as the additional reserve shall be less than an amount equal to five percent (5%) of the original principal amount of said additional Series of parity Bonds; and, provided further, that in the event of any withdrawal from the System Repair and Maintenance Reserve having the result of reducing the balance therein below the maximum balance required to be accumulated after said balance has been accumulated (initially $450,000, but subject to increase upon the issuance of each additional Series of parity Bonds) as represented by cash and/or the market value of permissible investments, the Board covenants and agrees that it will make up the deficiency by providing for transfers from the System Revenue Fund Account to the System Repair and Maintenance Reserve in the maximum amount which may be available for transfer at the close of each Fiscal Year, until such maximum balance shall have been restored. Additional funds in excess of the maximum amounts required to be accumulated may, at the discretion of the Board, be deposited and maintained in the System Repair and Maintenance Reserve.

Moneys and investments accumulated and held in the System Repair and Maintenance Reserve in accordance with this Section 907 may be drawn upon by the Board for the purpose of paying unusual or extraordinary costs of maintenance of, repairs and replacements to, and operation of the System; but only in the event that withdrawals from the System Repair and Maintenance Reserve are deemed necessary by reason of unanticipated deficiencies in the available budgeted resources of the Board for such purposes, as determined in each instance by a resolution duly adopted by the Board, an authenticated copy of which shall be delivered to the Trustee, and which shall constitute authority to the Trustee to permit the withdrawal or withdrawals authorized thereby; provided, however, that no such withdrawal from the System Repair and Maintenance Reserve shall be authorized by the Board, or permitted by the Trustee, if the result thereof is to reduce the balance of the moneys and investments accumulated and held in the System Repair and Maintenance Reserve below the sum of Four Hundred Fifty Thousand Dollars ($450,000) (which sum shall constitute a permanent minimum balance as opposed to the maximum balance required to be accumulated which shall
be increased, as hereinabove set forth, with the issuance of each additional Series of parity Bonds), unless it shall be determined by the Board, by a resolution duly adopted and furnished to the Trustee, that an emergency exists, requiring the expenditure of moneys in order to preserve the tenantability and revenue-producing capacity of the System. Anything herein to the contrary notwithstanding, the Trustee, with or without specific prior authorization of the Board, may make withdrawals from the System Repair and Maintenance Reserve if and to any extent that the same may be required to prevent default in the payment of maturing principal of or interest on the Bonds, in the event that the moneys available in the System Sinking Fund and in the System Debt Service Reserve shall at such time be insufficient for such purpose; and, if necessary, investments held for the credit of the System Repair and Maintenance Reserve may be converted into cash by the Trustee for such purpose.

Balances from time to time accumulated and held by the Trustee in the System Repair and Maintenance Reserve may be invested and reinvested by the Trustee, upon order of the Board, in interest-bearing obligations of the United States Government, or in interest-bearing obligations the principal of and interest on which are guaranteed by the United States Government; and the same shall be held by the Trustee for the account of said System Repair and Maintenance Reserve. Income received from such investments, and any gain resulting from any enforced sale thereof under authorized circumstances, shall be credited to said System Repair and Maintenance Reserve; and any commissions, expenses or losses which may be occasioned by the conversion of such investments into cash for necessary and authorized purposes shall be debited thereto. The Trustee, upon order of the Board, shall, whenever necessary for proper withdrawals from the System Repair and Maintenance Reserve, convert into cash such amount of such investments as may be required, and shall not be answerable in its capacity as Trustee for any loss which may be occasioned thereby.

Section 908. Current Expenses. Current Expenses of the System shall be payable from the System Revenue Fund, but only from such amounts as may remain therein after compliance with the preceding provisions of this ARTICLE IX, as the same become due and payable.
Section 909. Imposition of Additional Charges if Needed. The Board hereby irrevocably covenants and agrees with and for the benefit of the owners and holders of any and all Bonds issued and outstanding under this Indenture, and until full payment and retirement thereof, that in the event that the Revenues of the System shall at any time, or from time to time, be or become inadequate to provide for the payments required to be made into the System Sinking Fund, including the System Debt Service Reserve, and the System Repair and Maintenance Reserve, as provided in this ARTICLE IX, the Board will authorize, impose and collect additional and increased rentals, rates and charges for use and occupancy of the facilities of the aforesaid "Housing and Dining System," in such manner and to such extent as may be required to make all of said payments promptly when due.

The Board hereby further irrevocably covenants and agrees (with the sanction, concurrence and approval of the Commissioner of Finance and the Commission, as herein shown), that if the Revenues of the System shall at any time, or from time to time, be or become inadequate to provide for the payment of the costs of operating and maintaining the System (after first making provision for the payments required to be made into the System Sinking Fund, including the System Debt Service Reserve and the System Repair and Maintenance Reserve, as agreed shall be done hereunder, said Board will (a) authorize, impose and collect additional and increased rentals, rates and other charges for use and occupancy of the facilities of the aforesaid "Housing and Dining System," if and to such extent as the Board may, in its discretion, determine to be economically feasible and consistent with the sound and proper exercise of the educational functions and duties of the Board according to the Constitution and Statutes of the Commonwealth, and said Board will further (b) in any event, with the sanction, authorization and approval of the Commissioner of Finance, and the Commission, as permitted by law, contract and agree according to law (and the Board does hereby so contract and agree), that to such extent as the Revenues of the said Housing and Dining System shall be or become deficient for such purposes, the Board (acting pursuant to legal authority, and in such manner as contractually to bind the Commonwealth of Kentucky), will undertake to provide from other resources, and to pay when due, all such costs of operating and maintaining the System as shall be
required from time to time to maintain and keep all educational buildings, appurtenant facilities and related auxiliary enterprises of the aforesaid Housing and Dining System in a current and tenable state of repair.

The Board covenants and agrees that it will not hereafter issue any additional Series of Bonds on a basis of parity and equality as to security and source of payment with the Bonds of Series A to K, inclusive, except with the prior sanction, concurrence and approval of the Commissioner of Finance and the Commission, as to be evidenced by an authenticated copy of one or more instruments to that effect duly filed with the Trustee, and as further to be evidenced by a recitation to that effect upon the face of each such Bond, with the manual signature, or an authorized reproduced facsimile of the signature, of the Commissioner of Finance, appearing upon each such Bond.

Section 910. Application of Surplus Revenues to Redemption of Bonds. After the annual deposit requirements of Section 904 hereof, and the annual deposit requirements of Section 907 hereof, and the payment of Current Expenses as provided in Section 908 hereof, shall have been fully met, the Board may use any balance of excess funds remaining on deposit in the System Revenue Fund at the close of each Fiscal Year:

(1) to redeem outstanding Coupon Bonds or to prepay principal of Fully Registered Bonds, on the next interest payment date, in inverse numerical (and chronological) order and in amounts of not less than Five Thousand Dollars ($5,000) par value at any one time, subject to the applicable redemption provisions;

(2) for any expenditures, including the payment of debt service, in improving or restoring any existing housing and dining facilities or related auxiliary enterprises, or providing any such additional facilities; or

(3) for any other lawful purpose.

Section 911. Deposits to be Held in Trust. All moneys deposited with and in the custody of the Trustee under the provisions of this Indenture shall be trust funds and shall not be subject to lien or attachment by any creditor. Such moneys shall be held in trust and applied in accordance with the provisions of this Indenture and shall be secured in such manner as may at the time be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds.
Section 912. Investments of Deposits in the System Repair and Maintenance Reserve. Moneys held for the credit of the System Repair and Maintenance Reserve, and any amount in the System Sinking Fund in excess of all Bond principal and interest requirements for the ensuing twelve (12) months' period, shall be invested and reinvested by the Trustee, if so directed by resolution of the Board, in direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, maturing or being subject to redemption at the option of the holders not more than five (5) years from the date the investment is made. Obligations so purchased shall be deemed at all times to be a part of the System Repair and Maintenance Reserve, and of the System Sinking Fund, respectively, and the interest accruing thereon and the proceeds of the sale or retirement thereof shall be credited to said respective funds. The Trustee shall sell at the best price obtainable any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any necessary payment from the System Repair and Maintenance Reserve, or from the System Sinking Fund. Neither the Trustee nor the Board shall be liable or responsible for any loss resulting from any such investment. In determining the adequacy of Reserves, all such investments shall be valued in terms of their market value on the then next preceding June 30 or December 31, whichever was later. Income from investments shall be credited to the respective Funds for the account of which the same are carried; and expenses incurred in making and liquidating investments, and any losses arising from forced sale of investments, shall be chargeable thereto.

Section 913. Investments of Deposits in the System Sinking Fund. Moneys from time to time deposited with the Trustee in the System Sinking Fund for current principal and interest requirements (as distinguished from deposits for the System Debt Service Reserve), may, upon order of the Board, be invested and reinvested by the Trustee in direct or fully guaranteed obligations of the United States, maturing or being subject to redemption at the option of the holder not later than the time or times when such deposited funds are required by the provisions of this Indenture to be disbursed.
ARTICLE X

FORMS; COUPON BONDS, AND COUPONS; BOND IN FULLY REGISTERED FORM; CERTIFICATION OF COMMISSIONER OF FINANCE; TRUSTEE'S AUTHENTICATION CERTIFICATE; REGISTRATION; ASSIGNMENT; ETC.

BOND FORMS

Section 1001. Bond Forms as Specified. The Bonds, whether issued in Coupon Form or in Fully Registered Form, the Certificate of the Commissioner of Finance to appear thereon, the Trustee's Authentication Certificate, and where appropriate, the interest coupons, provisions for registration, provision for assignment, and Payment Records, shall be in substantially the forms respectively set forth in this ARTICLE X, with appropriate insertions, omissions and variations as provided or permitted in this Indenture.

Section 1002. Form of Coupon Bond. Bonds issued in Coupon Form, the coupons appurtenant thereto, the Certificate of the Commissioner of Finance to appear thereon, the form of the Trustee's Authentication Certificate, and provisions for registration as to principal, shall be substantially as follows, with appropriate insertions, omissions and variations as provided in this Indenture.

(Form of Coupon Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
MURRAY STATE COLLEGE
HOUSING AND DINING SYSTEM REVENUE BOND

SERIES

Number ——— $5,000

The Board of Regents of Murray State College, a public body corporate, and an Educational Institution and Agency of the Commonwealth of Kentucky, at Murray, Kentucky (hereinafter called the "Board"), for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of

FIVE THOUSAND DOLLARS ($5,000),

on the first day of September, 19——.
and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of \( \frac{\%}{\%} \) per annum, such interest being payable semi-annually on the first days of March and September in each year, commencing on March 1, 1966, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed interest coupons as they severally mature. Both the principal of and the interest on this Bond are payable in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of debts due the United States of America, without deduction for exchange or collection charges, at the main office of the Trustee, the Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, or at the option of the holder or registered owner hereof, at the main office of the Chemical Bank New York Trust Company, in the Borough of Manhattan, New York City, New York.

This Bond is one of a duly authorized Series of Bonds in the initial aggregate principal amount of Twelve Million, Six Hundred Seventy Thousand Dollars ($12,670,000), consisting of $705,000 of Series A Bonds, $605,000 of Series B Bonds, $635,000 of Series C Bonds, $760,000 of Series D Bonds, $390,000 of Series E Bonds, $1,290,000 of Series F Bonds, $400,000 of Series G Bonds, $1,845,000 of Series H Bonds, $2,250,000 of Series I Bonds, $510,000 of Series J Bonds and $3,280,000 of Series K Bonds, all of said Bonds being of the same form, tenor and effect (except for numbers, denominations, maturity dates, series designation, and permissible variation in interest rates), and except for the initial issuance of one or more of said Series of Bonds, or of portions thereof, as respective Single, Fully Registered Installment Bonds, convertible into Coupon Bonds, issued for the purpose of financing or refinancing the costs, not otherwise provided, of buildings and appurtenant facilities for educational purposes on the Campus of the College (as defined in the Trust Indenture hereinafter referred to), comprising parts of the Housing and Dining System of said Murray State College, consisting of (a) initially, certain identified student housing and dining facilities and related auxiliary enterprises existing on the Campus of said College in Murray,
Calloway County, Kentucky, as of September 1, 1965, (b) three additional similar projects, which are scheduled to be constructed through the application of the proceeds of the Series I, J and K Bonds, (c) any other housing and dining facilities or related auxiliary enterprises as may be added to said Housing and Dining System at future dates in accordance with the conditions and restrictions provided in connection with the permissive issuance of parity Bonds, and (d) any such facilities as may be added to the Housing and Dining System as additional security for the Bonds (hereinafter sometimes referred to in the aggregate as the "Housing and Dining System," or the "System"), under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect.

This Bond and all of said Bonds are issued under and pursuant to a Trust Indenture (said Indenture, together with all indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of September 1, 1965, executed by and between said Board of Regents and the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, as Trustee (said Trustee and any successor Trustee under said Indenture being herein called the "Trustee"), an executed counterpart of which Indenture is on file at the office of said Trustee in the City of Louisville, Kentucky; and an executed counterpart thereof has been recorded at the office of the Clerk of the County Court of Calloway County, Kentucky, as provided by the law for the recording of mortgages on real estate in Kentucky. Reference is hereby made to said Indenture for a more specific identification of the Housing and Dining System and the described additions thereto and for the provisions, among others, with respect to the custody and the application of the proceeds of the Bonds, the collection and disposition of the Revenues of the System, the fund charged with and pledged to the payment of the interest on and the principal of said Bonds, a description of the properties subject to a statutory mortgage lien and the revenues pledged thereunder as security for said Bonds, the nature and extent of the security thereby created, the reserved right of the Board and of the Trustee to issue in the future certain additional Bonds which will rank on a basis of parity with the Bonds initially authorized, subject to conditions and restrictions which are specifically set forth in the Indenture,
the rights, duties and obligations of said Board and of the Trustee, and the rights of the holders of the Bonds; and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of said Indenture. Under authority of the Statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration endorsed hereon and contained in the Indenture, nothing contained in this Bond or in said Indenture shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. The Indenture provides for fixing, charging and collecting of rentals and other charges for the use of said Housing and Dining System, which rents and charges will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the cost of maintenance, operation and repair to said System, to the extent not otherwise provided. The Indenture provides for the creation of a special fund designated "MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BOND AND INTEREST SINKING FUND ACCOUNT" (herein called the "BOND AND INTEREST SINKING FUND"), and for the deposit to the credit of said BOND AND INTEREST SINKING FUND of a fixed amount of the defined Revenues of said Housing and Dining System sufficient to pay the principal of and the interest on the Bonds as the same become due, and to provide a reserve for such purpose, which Bond and Interest Sinking Fund is pledged to and charged with the payment of said principal and interest.

This Bond and the issue of which it is one and Bonds which may hereafter be issued and outstanding under the (parity) conditions and restrictions set forth in the Indenture are secured equally and are payable on a parity only from and as the first charge upon a fixed amount of the defined Revenues of said Housing and Dining System, which will be set aside in said Bond and Interest Sinking Fund, and this Bond does not constitute an indebtedness of the College or of its Board of Regents or of the Commonwealth of
Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

REDEMPTION PROVISIONS

(To be inserted, as appropriate, in conformity with the Indenture.)

If the Board at its option undertakes to redeem outstanding Bonds in advance of scheduled maturity, it is agreed and understood that (1) except for the redemption of Series I, J and K Bonds through application of surplus moneys in the respective Construction Funds (and as similar conditions may be prescribed, in the discretion of the Board, in connection with the issuance of any future Series of Bonds), calls of Bonds from surplus Revenues accumulated in the Bond and Interest Sinking Fund and available for such purpose shall be on a pro rata basis reflecting the relationship between the Bonds of each Series at such time outstanding, and (2) calls of Bonds of each Series shall be in accordance with the redemption provisions of each Series.

Notice of such intended redemption, identifying the Bonds to be redeemed, will be on file at the office of the Trustee at least thirty (30) days prior to the specified redemption date, and such notice shall be published at least once not less than thirty (30) days prior to said redemption date in a financial newspaper or journal of general circulation published in the English language in New York City, New York. Any Bonds so called for redemption and for the payment of which, on the terms aforesaid, funds are on deposit with said Trustee on the specified redemption date shall cease to bear interest on said redemption date. Notice of such redemption may be waived with the written consent of the holder(s) of the Bond(s) so called for redemption.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Regents at the office of the Trustee under this Indenture, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer, whereupon full negotiability and transferability by delivery shall be restored, but this Bond may again from time
to time be registered as aforesaid. Such registration shall not affect the
negotiability of the interest coupons which shall always remain payable to
bearer and transferable by delivery merely. The Board of Regents and the
Trustee may deem and treat the bearer of any coupon hereto appertaining,
whether or not this Bond be so registered, or if this Bond be registered
as herein authorized, the person in whose name the same is registered, as
the absolute owner for the purpose of receiving payment and for all other
purposes.

A statutory mortgage lien, which is hereby recognized as valid and
binding on the buildings and appurtenant facilities of said Housing and Dining
System, those portions of the sites physically occupied thereby, and all nec-
essary appurtenances, including adequate provision for ingress, egress, and
the rendering of necessary services, is created and granted to and in favor
of the holder or holders of this Bond and the issue of which it is a part,
and in favor of the holder or holders of the coupons attached thereto, and
said Housing and Dining System, including such housing and dining buildings,
appurtenant facilities, and related auxiliary enterprises as may hereafter
be added to and made parts of said System according to the provisions of the
Indenture, shall remain subject to such statutory mortgage lien until the
payment in full of the principal of and interest on this Bond and the issue
of which it is a part.

This Bond shall not be valid or become obligatory for any purpose,
or be entitled to any security or benefit under the Indenture, until it shall
have been authenticated by the execution by the Trustee, or its successor in
the trust, of the Certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions
and things required to exist, to happen, and to be performed precedent to and
in the issuance of this Bond do exist, have happened, and have been performed
in due time, form and manner as required by law, and that the amount of this
Bond, together with all other obligations of said Board and of said College,
does not violate any provision or exceed any limit prescribed by the Consti-
tution or Statutes of Kentucky; that said Housing and Dining System will be
continuously operated so long as any part of the principal of or interest on
this Bond is unpaid, and that a sufficient portion of the defined Revenues therefrom has been pledged to and will be set aside into said Bond and Interest Sinking Fund, as the first charge upon such Revenues, for the payment of the principal of and interest on this Bond and the issue of which it is a part and on any other Bonds which may hereafter be issued and outstanding, which by their terms are payable on a parity from said identified special fund, at or prior to maturity.

It is further certified, recited and declared that as permitted by the Constitution, applicable statutory laws, and controlling decisions of the Highest Court of the Commonwealth, said Board of Regents of the College has irrevocably covenanted and agreed, and hereby irrevocably covenants and agrees, with the owner and holder of this Bond, with the sanction, approval and authorization of the State Property and Buildings Commission of Kentucky, and the Commissioner of Finance of the Commonwealth, as evidenced by proper authorization and proceedings duly filed with the Trustee, and as further evidenced by the authorized reproduced facsimile of the signature of said Commissioner of Finance hereon appearing, that if and to the extent that the defined Revenues of said Housing and Dining System shall at any time be or become insufficient (after first meeting all requirements of the special fund hereinabove identified), to pay all costs of operating and maintaining said System, and of keeping the same in a good and tenantable state of repair, said Board of Regents and the Commonwealth of Kentucky will supply from other sources any deficiencies in such respects as a binding and continuing contractual commitment of the Commonwealth, so long as any Bonds are outstanding and unpaid under the terms and provisions of the Indenture.

In case an event of default, as defined in the Indenture, shall occur, the principal of this Bond and of all other Bonds of all of said authorized issue outstanding, may be declared or may become due and payable prior to stated maturity in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this Bond against any officer or member of the Board of Regents of the College, as such, all such liability (if any) being hereby
expressly waived and released by every holder or registered holder by the acceptance hereof, and as a part of the consideration hereof, as provided in the Indenture.

IN TESTIMONY WHEREOF, the Board of Regents of Murray State College, at Murray, Kentucky, has caused this Bond to be executed in its name and behalf by the authorized facsimile of the signature of its Chairman, and has caused the authorized facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary; and has caused the coupons hereto attached to be executed with the authorized facsimile signatures of said Chairman and Secretary, all being done as of the first day of September, 1965.

It is certified that the issuance of this Bond, in form as above set forth, has been duly approved and authorized by the State Property and Buildings Commission, and by the undersigned.

BOARD OF REGENTS OF MURRAY STATE COLLEGE

By (Facsimile Signature)

Chairman

(Facsimile of Seal)

(Facsimile Signature)

Commissioner of Finance of Kentucky

Attest:

(Manual Signature)

Secretary

TRUSTEE'S AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds described or provided for in the within-mentioned Indenture.

CITIZENS FIDELITY BANK AND TRUST COMPANY,
Louisville, Kentucky

By (Manual Signature)

Authorized Officer

(FORM OF COUPON)

Number ____________ $ ____________

*Unless the Bond to which this coupon is appurtenant shall have been called for redemption and funds for the payment thereof are duly provided,

*This redemption legend shall appear only on such interest coupons as are affected thereby.
On the first day of ____________.

The Board of Regents of Murray State College, at Murray, Kentucky, will pay to bearer ________________________ Dollars ($_______), in any coin or currency which at said date of payment is legal tender for the payment of debts due the United States of America, out of its "MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BOND AND INTEREST SINKING FUND ACCOUNT," at the main office of the Citizens Fidelity Bank and Trust Company, in the City of Louisville, Kentucky, or, at the option of the holder, at the main office of the Chemical Bank New York Trust Company, New York City, New York, without deduction for exchange or collection charges, as provided in and for interest then due on its $5,000 Housing and Dining System Revenue Bond, Series _____, dated as of September 1, 1965, numbered _____.

BOARD OF REGENTS OF MURRAY STATE COLLEGE

Attest:

By ______ (Facsimile Signature) Chairman

______ (Facsimile Signature) Secretary

(FORM OF REGISTRATION TO BE PRINTED ON BACK OF EACH BOND)

Date of Registration | Name of Registered Holder | Signature of Authorized Officer of Trustee
--------------------|--------------------------|--------------------------
                    |                          |                          
                    |                          |                          
                    |                          |                          
                    |                          |                          
                    |                          |                          

Section 1003. Form of Fully Registered Bond. Bonds issued in Fully Registered Form, the certification of the Commissioner of Finance to appear thereon, the Trustee's Authentication Certificate, the form of assignment, and the Payment Record to be attached thereto, shall be in substantially the following form:

- 60 -
The Board of Regents of Murray State College, at Murray, Kentucky, a public body corporate and an Educational Institution and Agency of the Commonwealth of Kentucky (hereinafter called the "Board"), for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to

The UNITED STATES OF AMERICA, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, HOUSING AND HOME FINANCE ADMINISTRATOR, or his successor (herein sometimes called the "Payee"), or his registered assigns (herein sometimes called the "Alternate Payee")

the principal sum of

$_________ DOLLARS ($_________).

This being part of the Series ______ Bonds in the total authorized amount of $_________,000, of a total authorized issue in the principal amount of $_________,000. This Bond representing the entire authorized issue of Series ______ Bonds, being part of a total authorized issue of Series ______ to _________ Bonds, in the amount of $_________,000.

on the first day of September, in years and installments as follows:

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<tr>
<th>YEAR</th>
<th>PRINCIPAL AMOUNT</th>
<th>YEAR</th>
<th>PRINCIPAL AMOUNT</th>
<th>YEAR</th>
<th>PRINCIPAL AMOUNT</th>
</tr>
</thead>
</table>

(Here the printer will print the maturities of the Series ______ Bonds)

in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due to the United States of America, and in like manner solely from said special fund to pay interest on the balance of said principal sum from time to time remaining unpaid, in

*This designation to be used where Bonds have been awarded to the Government.
like coin or currency, at the rate of ____________ percent (____%)
per annum, semi-annually, on March 1 and September 1 in each year, commencing
March 1, 1966, until the principal amount hereof has been paid. During the
time that the Payee is the registered owner of this Bond, payment of the prin-
cipal installments and interest due shall be made at the Federal Reserve Bank
at
of Richmond, Richmond, Virginia, or such other fiscal agent as the Payee shall
designate (herein called the "Fiscal Agent"). During such time as an Alternate
Payee is the registered owner hereof, said payments shall be made at the main
office of the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky,
the Trustee under the Indenture, hereinafter mentioned, pursuant to which this
Bond is issued, or its successor as such Trustee, or, at the option of the
Alternate Payee, at the main office of the Chemical Bank New York Trust Company,
New York City, New York (herein called the "Alternate Paying Agent"). Payments
of principal and interest, including prepayments of installments of principal
as hereinafter provided, shall be noted on the Payment Record made a part of
this Bond, and if payment is made at the office of the Fiscal Agent or Alternate
Paying Agent, written notice of the making of such notations shall promptly
be sent to the Board at the office of the Trustee, and such payments shall
fully discharge the obligation of the Board hereon to the extent of the pay-
ments so made. Upon final payment of principal and interest, this Bond shall
be submitted to the Trustee for cancellation and surrender to the Board.

This Bond is one of a duly authorized issue of Bonds in the initial
aggregate principal amount of Twelve Million, Six Hundred Seventy Thousand
Dollars ($12,670,000), consisting of $705,000 of Series A Bonds, $605,000 of
Series B Bonds, $655,000 of Series C Bonds, $760,000 of Series D Bonds, $390,000
of Series E Bonds, $1,230,000 of Series F Bonds, $400,000 of Series G Bonds,
$1,345,000 of Series H Bonds, $2,250,000 of Series I Bonds, $510,000 of Series J
Bonds and $4,205,000 of Series K Bonds, all of said Bonds being of the same
form, tenor and effect (except for number, denominations, maturity dates,
Series designations, and variations in interest rates). (And except for the
initial issuance of $___________,000 of Bonds of Series ________, numbered
_________________, maturing 19____ to 19____, as Coupon Bonds, and the
initial issuance of this $___________,000 Bond as a Single, Fully Registered

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Installment Bond, numbered R-____, Series _____, convertible into Coupon Bonds
d and except for the initial issuance of one or more of said Series of Bonds, or
of portions thereof, as respective Single, Fully Registered Installment Bonds,
convertible into Coupon Bonds, issued for the purpose of financing or refinancing
the costs, not otherwise provided, of buildings and appurtenant facilities for
educational purposes on the Campus of the College (as defined in the Trust
Indenture hereinafter referred to), comprising parts of the Housing and Dining
System of said Murray State College, consisting of (a) initially, certain iden-
tified student housing and dining facilities and related auxiliary enterprises
existing on the Campus of said College in Murray, Calloway County, Kentucky,
as of September 1, 1965, (b) three additional similar projects, which are
scheduled to be constructed through the application of the proceeds of the
Series I, J and K Bonds, (c) any other housing and dining facilities or related
auxiliary enterprises as may be added to said Housing and Dining System at
future dates in accordance with the conditions and restrictions provided in
connection with the permissive issuance of parity Bonds, and (d) any such
facilities as may be added to the Housing and Dining System as additional
security for the Bonds (hereinafter sometimes referred to in the aggregate as
the "Housing and Dining System," or the "System"), under and in full compliance
with the Constitution and Statutes of the Commonwealth of Kentucky, including
among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised
Statutes now in full force and effect.

This Bond and all of said Bonds are issued under and pursuant to a
Trust Indenture (said Indenture, together with all indentures supplemental
thereto as therein permitted, being herein called the "Indenture"), dated
as of September 1, 1965, executed by and between said Board of Regents and
the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, as Trustee
(said Trustee and any successor Trustee under said Indenture being herein
called the "Trustee"), an executed counterpart of which Indenture is on file
at the office of said Trustee in the City of Louisville, Kentucky, and an
executed counterpart thereof has been recorded at the office of the Clerk of
the County Court of Calloway County, Kentucky, as provided by the law for the
recording of mortgages on real estate in Kentucky. Reference is hereby made to said Indenture for a more specific identification of the Housing and Dining System and the described additions thereto and for the provisions, among others, with respect to the custody and the application of the proceeds of the Bonds, the collection and disposition of the Revenues of the System, the fund charged with and pledged to the payment of the interest on and the principal of said Bonds, a description of the properties subject to a statutory mortgage lien and the revenues pledged thereunder as security for said Bonds, the nature and extent of the security thereby created, the reserved right of the Board and of the Trustee to issue in the future certain additional Bonds which will rank on a basis of parity with the Bonds initially authorized, subject to conditions and restrictions which are specifically set forth in the Indenture, the rights, duties and obligations of said Board and of the Trustee, and the rights of the holders of the Bonds; and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of said Indenture.

The registered owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. The Indenture provides for fixing, charging and collecting of rentals and other charges for the use of said Housing and Dining System, which rents and charges will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the cost of maintenance, operation and repair to said System, to the extent not otherwise provided. The Indenture provides for the creation of a special fund designated "MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BOND AND INTEREST SINKING FUND ACCOUNT" (herein called the "BOND AND INTEREST SINKING FUND"), and for the deposit to the credit of said BOND AND INTEREST SINKING FUND of a fixed amount of the defined Revenues of said Housing and Dining System sufficient to pay the principal of and the interest on the Bonds as the same become due, and to provide a reserve for such purpose, which Bond
and Interest Sinking Fund is pledged to and charged with the payment of said principal and interest.

As provided in the Indenture, this Bond is exchangeable at the sole expense of the Board at any time, upon ninety (90) days' notice, at the request of the registered owner hereof and upon surrender of this Bond to the Board at the office of the Trustee in the City of Louisville, Kentucky, for negotiable Coupon Bonds, payable to bearer, registerable as to principal only, of the denomination of Five Thousand Dollars ($5,000) each, in an aggregate principal amount equal to and maturing in conformity with the unpaid principal amount of this Bond, bearing interest at a corresponding interest rate, and in the form of such Coupon Bond as provided in the Indenture.

This Bond and the issue of which it is a part and Bonds which may hereafter be issued and outstanding under the (parity) conditions and restrictions set forth in the Indenture are secured equally and are payable on a parity only from and as the first charge upon a fixed amount of the defined Revenues of said Housing and Dining System, which will be set aside in said Bond and Interest Sinking Fund, and this Bond and the issue of which it is a part do not constitute an indebtedness of the College or of its Board of Regents or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

In addition to the installments of principal required to be paid by the Board as hereinabove set forth, the Board shall have the right to prepay on any interest payment date the principal installments due on or after September 1, 1975, the entire principal amount hereof then remaining unpaid, or such lesser portion as it may determine upon, in inverse chronological order of said installments and in multiples of Five Thousand Dollars ($5,000), at the following prices, expressed in terms of a percentage of the principal amount of such prepayments, plus accrued interest to the date of prepayment:

(To be inserted, as appropriate, in conformity with the Indenture.)

If the Board at its option undertakes to prepay outstanding Bonds in advance of scheduled maturity, it is agreed and understood that (1) except for the prepayment of Series I, J and K Bonds through application of surplus moneys in the respective Construction Funds (and as similar conditions may be prescribed, in the
discretion of the Board, in connection with the issuance of any future Series of Bonds), calls and prepayments of Bonds from surplus Revenues accumulated in the Bond and Interest Sinking Fund and available for such purpose shall be on a pro rata basis reflecting the relationship between the Bonds of each Series at such time outstanding, and (2) calls of Bonds of each Series shall be in accordance with the prepayment provisions of each Series.

Notice of any such optional prepayment shall be given at least thirty (30) days prior to the prepayment date by mailing to the registered owner of this Bond, by registered mail, a notice fixing such prepayment date, the amount of principal and the premium, if any, to be prepaid.

This Bond may be assigned, and upon such assignment being made, the assignor shall promptly notify the Board at the office of the Trustee by registered mail, and the Alternate Payee shall surrender the same to the Trustee either in exchange for a new Fully Registered Bond, or for transfer on the registration records and verification of the endorsements made on the Payment Record attached hereto of the portion of the principal amount hereof and interest hereon paid or prepaid, and every such assignee shall take this Bond subject to such condition.

A statutory mortgage lien, which is hereby recognized as valid and binding on the buildings and appurtenant facilities of said Housing and Dining System, those portions of the sites physically occupied thereby, and all necessary appurtenances, including adequate provision for ingress, egress, and the rendering of necessary services, is created and granted to and in favor of the holder or holders of this Bond and the issue of which it is a part, and in favor of the holder or holders of the coupons attached to Coupon Bonds, and said Housing and Dining System, including such housing and dining buildings, appurtenant facilities, and related auxiliary enterprises as may hereafter be added to and made parts of said System according to the provisions of the Indenture, shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of which it is a part. 

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This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit under the Indenture, until it shall have been authenticated by the execution by the Trustee, or its successor in the trust, of the Certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Board and of said College, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Housing and Dining System will be continuously operated so long as any part of the principal of or interest on this Bond is unpaid, and that a sufficient portion of the defined Revenues therefrom has been pledged to and will be set aside into said Bond and Interest Sinking Fund, as the first charge upon such Revenues, for the payment of the principal of and interest on this Bond and the issue of which it is a part and on any other Bonds which may hereafter be issued and outstanding, which by their terms are payable on a parity from said identified special fund, at or prior to maturity.

It is further certified, recited and declared that as permitted by the Constitution, applicable statutory laws, and controlling decisions of the Highest Court of the Commonwealth, said Board of Regents of the College has irrevocably covenanted and agreed, and hereby irrevocably covenants and agrees, with the owner and holder of this Bond, with the sanction, approval and authorization of the State Property and Buildings Commission of Kentucky, and the Commissioner of Finance of the Commonwealth, as evidenced by proper authorizations and proceedings duly filed with the Trustee, and as further evidenced by the authorized reproduced facsimile of the signature of said Commissioner of Finance hereon appearing, that if and to the extent that the defined Revenues of said Housing and Dining System shall at any time be or become insufficient (after first meeting all requirements of the special fund hereinabove identified), to pay all costs of operating and maintaining said System, and of keeping the same in a good and tenantable state of repair,
said Board of Regents and the Commonwealth of Kentucky will supply from
other sources any deficiencies in such respects as a binding and continuing
contractual commitment of the Commonwealth, so long as any part of this Bond
and the issue of which it is a part is unpaid under the terms and provisions
of the Indenture.

In case an event of default, as defined in the Indenture, shall
occur, the principal of this Bond and of all other Bonds of all of said author-
ized issue outstanding, may be declared or may become due and payable prior to
stated maturity in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or the
interest on this Bond against any officer or member of the Board of Regents
of the College, as such, all such liability (if any) being hereby expressly
waived and released by every registered owner by the acceptance hereof, and
as a part of the consideration hereof, as provided in the Indenture.

IN TESTIMONY WHEREOF, the Board of Regents of Murray State College,
has caused this Bond to be executed in its name by the authorized manual
signature of the Chairman of said Board, attested by the authorized manual
signature of the Secretary of said Board and its corporate seal to be hereto
affixed, all as of the first day of September, 1965.

BOARD OF REGENTS OF MURRAY STATE COLLEGE

(Affix Seal Here) By ___________________________

Attest: Chairman

______________________________
Secretary

It is hereby certified that the issuance
of this Bond, in form as above set forth,
has been duly approved and authorized
by the State Property and Buildings
Commission, and by the undersigned.

______________________________
Commissioner of Finance of Kentucky

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TRUSTEE'S AUTHENTICATION CERTIFICATE

This Bond is a fully Registered Bond as described in the within mentioned Indenture.

CITIZENS FIDELITY BANK AND TRUST COMPANY,
Louisville, Kentucky, TRUSTEE

By ______________________
Authorized Officer

(FORM OF ASSIGNMENT)

Without representation, warranty or recourse, for value received, the within Bond is hereby assigned, subject to all of its terms and provisions, unto ______________________, this ___ day of __________, _____.

Payee

Witnessed By:

By ______________________
Authorized Agent

_________________________

Official Designation

PAYMENT RECORD

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<tr>
<th>Due Date</th>
<th>Principal Payment</th>
<th>Principal Balance Due</th>
<th>Interest Payment (%)</th>
<th>Date Paid</th>
<th>Name of Paying Agent - Authorized Official &amp; Title</th>
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</tbody>
</table>

(Enter dates (amounts) (Leave blank) (Leave blank) (Leave blank)
for principal and interest)

(In the cases of Series I, J and K Bonds - 80 due dates; in the cases of Series A to H Bonds - fewer, by reason of shorter final maturities of principal. Leave one-half inch space between each due date, etc., for manual interlining, if necessary; also half a page at end for any explanation which might be required.)
Section 1004. Issuance of Bonds in the Future. Provisions are made in ARTICLE XI of this Indenture for the permissive future issuance by the Board of Additional Series of Bonds which will rank on a basis of parity and equality as to security and source of payment with the Bonds of Series A to K, inclusive, subject to compliance with certain prescribed terms, provisions, conditions and limitations which are set forth with particularity in said ARTICLE XI. Provision is further made in said ARTICLE XI for the permissive future issuance by the Board of additional bonds or other obligations payable as to principal and interest from the defined Revenues of the System, and not ranking on a basis of parity and equality as to security and source of payment with the Bonds, but only in the event there shall be full recognition and acknowledgement, in the proceedings authorizing the issuance thereof, and in the text of each such bond or other obligation that the same, and all security rights related thereto, are expressly subordinate and inferior to the liens, pledges and other security rights otherwise herein provided for the Bonds.

In the event that the Board shall hereafter determine that it is necessary or desirable to issue for purposes of the Housing and Dining System, other bonds or other obligations with respect to which compliance has not been made, or for any reason cannot be made, with the aforesaid terms, provisions, conditions and limitations controlling the issuance of Series of parity Bonds, the respective forms and texts of such bonds or other obligations, and of the coupons, Certifications, Trustee's Authentication Certificates, and otherwise, may be such as are prescribed in the proceedings preliminary and incident to the authorization and issuance thereof, so long as the same are not inconsistent with the provisions of this Indenture.

ARTICLE XI

ISSUANCE OF PARITY BONDS; ISSUANCE OF BONDS OR OTHER OBLIGATIONS OF SUBORDINATE AND INFERIOR STATUS; ISSUANCE OF REFUNDING BONDS; PROVISION FOR ADVANCE REFUNDING.

Section 1101. Authorization of Parity Bonds. The Board reserves the right, exercisable pursuant to the provisions of one or more Supplemental Trust Indentures as hereinafter provided, to issue additional Series of Bonds
to be secured by a parity lien on and ratably payable from the Revenues of the System, for the purpose of financing, in whole or in part, any housing and dining buildings, appurtenant facilities, and related auxiliary enterprises for educational purposes (for convenience sometimes collectively referred to simply as "buildings"), provided, in each instance, that:

(a) The building, buildings, or appurtenant facilities erected and financed in whole or in part from the proceeds of such additional parity Bonds is or are made a part or parts of the Housing and Dining System, and the Revenues thereof are pledged as additional security for the additional parity Bonds and the Bonds then outstanding; and

(b) The Board is in full compliance with all covenants and undertakings in connection with all of its Bonds then outstanding and payable from the Revenues of said System or any part thereof;

(c) The Board shall cause to be filed with the Trustee a Certificate signed by an officer, agent or employee of the Board who may at the time be principally charged with responsibility for the maintenance and repair of the housing and dining buildings and appurtenant facilities comprising the then existing facilities of the System (or by an independent licensed architect or engineer, in the discretion of the Board), approved by the President of the College and by Resolution of the Board, showing that a physical inspection of the said housing and dining buildings and appurtenant facilities of the System has been made and that the same are represented to be in a good and current state of tenantability and repair, subject only to such exceptions as are shown to be duly scheduled and budgeted, at the time or times reasonably anticipated to be required in each instance; and

(d) The aggregate amount of

(1) the average of the audited annual Revenues of said System (and/or of all facilities comprising said System prior to having been formed into the System) for the two Fiscal Years immediately preceding the issuance of said additional parity Bonds; and

(2) the estimated annual Revenues to be derived from the building, buildings, or appurtenant facilities to be erected in whole or in part through application of the proceeds of such additional parity Bonds; and
(3) the estimated annual Revenues to be derived from any buildings currently under construction; and

(4) the estimated annual Revenues to be derived from buildings in operation for less than a full Fiscal Year (provided that in such case the actual Revenues collected from such buildings shall be excluded in the computation of (1) above, in order to avoid duplication of actual Revenues and estimated Revenues in such cases),

each of the factors stated in the foregoing (1) to (4), inclusive, to be adjusted to reflect any increase or decrease in rates charged for services rendered by said System (i) imposed and made effective at any time during such period, or (ii) imposed and to become effective in the academic year next succeeding the issuance of such additional parity Bonds; all as indicated in a statement by the Treasurer, approved by the Commissioner of Finance, to be filed with the Trustee, is equal to not less than one and thirty hundredths (1.30) times the maximum amount which will be required in any future Fiscal Year for payment of the principal of and interest on the Bonds then outstanding and the additional parity Bonds then proposed to be issued; PROVIDED, that the estimate of annual Revenues as used in the above computations shall be based upon (i) an assumed occupancy of not more than ninety-five percent (95%) of design capacity of student dormitories and married student family or faculty apartments of said System, (ii) not more than ninety percent (90%) of the estimated net profits of dining facilities and other related auxiliary enterprises of said System; and (iii) with respect to any general student fees presently or hereafter pledged as constituting defined Revenues of the System, imposed or hereafter imposed for the use of the services and facilities of the System as herein permitted, the amount thereof as shown by the most recent applicable enrollment records, plus the aggregate amount of the fee collectible from the number of students which the Board may additionally accommodate in housing facilities of the System which are scheduled to be available for occupancy at or before the commencement of the next ensuing academic year; AND PROVIDED, ALSO, that the Board
reserves the right, exercisable in any such Supplemental Trust Indenture, to pledge irrevocably as additional Revenues of the System, and as constituting an additional source of payment of the principal of and interest on all Bonds issued pursuant hereto (including Bonds initially issued and outstanding pursuant to this Indenture, as well as those authorized and issued according to the Supplemental Trust Indenture in which such pledge shall be made, and Bonds which may be issued according to any subsequent Supplemental Trust Indenture), identified Revenues thereafter to be derived by the Board from (a) any educational buildings and appurtenances for housing, dining, student union or auxiliary enterprises added to the System otherwise than through the issuance of Bonds or parity Bonds, and (b) any increased or additional student fee or fees then charged and imposed (or which has or have irrevocably been established and will be charged and made effective in the academic year next succeeding the issuance of such additional parity Bonds), upon each full-time student enrolled at the Campus of the College for use or availability of the services and facilities of the System; and, in the event the Board shall exercise either or both of such reserved rights and make such irrevocable pledge or pledges, (i) the Revenues derived therefrom shall be deposited as received into the System Revenue Fund for disposition as in the case of other Revenues of the Housing and Dining System, and (ii) a sum equal to the amount of Revenues which would have been derived from said sources in the two Fiscal Years immediately preceding the issuance of said additional parity Bonds (had such buildings then been parts of the System, or the fee been imposed and in effect during said two Fiscal Years), may be taken into account as Revenues of the Housing and Dining System in making the computation prescribed in this subparagraph 'd) as indicated in the statement by the Treasurer (approved by the Commissioner of Finance) to be so filed with the Trustee.

In the event of the issuance of one or more Series of parity Bonds in accordance with the terms, provisions, conditions and restrictions herein set forth governing the issuance thereof, interest payments thereon shall be scheduled to become due on March 1 and September 1 of each year, and the principal thereof shall be scheduled to become due on September 1 in any year in which principal is scheduled to become due.

The Board does, however, covenant and agree that whether by reason of its inability to comply with the terms, provisions, conditions and restrictions herein set forth governing the future issuance of parity Bonds, or otherwise, it will not
(a) undertake to erect or finance additional educational buildings for housing and dining purposes (including appurtenant facilities and related auxiliary enterprises) except in the case of buildings which may hereafter be leased to fraternities or sororities, otherwise than as constituting a part or parts of the Housing and Dining System, as herein created, or

(b) undertake such construction or financing (subject to the exception stated in (a) above), otherwise than with a covenant on the part of the Board (duly sanctioned, authorized and approved by proper action of the Commission and of the Commissioner of Finance binding the Board and the Commonwealth of Kentucky on a continuing contractual basis), that if there be any deficiency of the Revenues of the System, after first making provision from such Revenues for the orderly payment of the principal of and interest on all Bonds and such other bonds or other obligations, the amount of such deficiency will be supplied by the Board and the Commonwealth, so as to provide on a continuing contractual basis for the maintenance, operation and repair of all educational buildings, appurtenant facilities, and related auxiliary enterprises for housing and dining purposes at any time constituting parts of said System.

In the event that the Board shall be unable at any time to show compliance with the terms, provisions, conditions and restrictions set forth in Section 1101 hereof in connection with the issuance of future Series of parity Bonds, but shall nevertheless determine (with the sanction, approval and authorization of the Commission and of the Commissioner of Finance, as aforesaid), that it is necessary to provide additional educational buildings, appurtenant facilities and/or related auxiliary enterprises for housing and dining purposes, the Board reserves the right, exercisable pursuant to the provisions of one or more Supplemental Trust Indentures, as hereinafter provided, to issue additional bonds or other obligations payable as to principal and interest from the Revenues of the System, but only if it shall be specifically provided and
shown in all of the proceedings authorizing and providing for the issuance thereof, and in the text of each such bond or other obligation so issued, that (a) the statutory mortgage lien provided for the security of such bonds or other obligations is recognized and acknowledged to be subordinate and inferior to the similar lien granted by Statute and herein recognized and acknowledged as constituting a first and paramount lien for the security of the holders of the Bonds, and parity Bonds, (b) any pledge of or lien upon the Revenues of the System, given or recognized for the security and source of payment of such bonds or other obligations shall similarly be recognized and acknowledged in all proceedings incident to the issuance thereof, and in the text of each such bond or other obligation, to be subordinate and inferior to the first and paramount lien upon and pledge of such Revenues, provided for by Statute and herein recognized and acknowledged for the security and source of payment of the Bonds and parity Bonds, (c) the principal of any such subordinate and inferior bonds or other obligations shall be payable on September 1 of any year in which such principal is scheduled to become due, and (d) interest upon such subordinate and inferior bonds or other obligations shall be payable on March 1 and September 1 of any year in which such interest is scheduled to be due and payable; PROVIDED, HOWEVER, the Board further expressly reserves the right, after issuance of any such subordinate and inferior bonds or other obligations, to issue parity Bonds for the purpose of refunding the same in the event that prior to the issuance of such refunding parity Bonds the Board is able to show, and does show by a statement of the Treasurer, approved by the Commissioner of Finance, filed with the Trustee, that upon issuance thereof the Board will then be in compliance with all of the terms, provisions, conditions and limitations set forth in Section 1101 of this Indenture relating to the issuance of parity Bonds at that time.

Section 1103. Issuance of Parity Bonds for Refunding Purposes; Refunding of Previously Subordinate or Non-System Bonds. The Board further reserves the right, exercisable pursuant to the provisions of one or more Supplemental Trust Indentures, as hereinafter provided, to issue additional
parity Bonds (a) to refund, in whole or in part, one or more Series of Bonds or parity Bonds previously issued and outstanding, or (b) to refund any bonds or other obligations previously issued by the Board otherwise than under the provi-
sion of this Indenture or of any Supplemental Trust Indenture, for the financing, in whole or in part, of housing and dining educational buildings, appurtenant facilities, or related auxiliary enterprises (or to purchase and acquire such buildings, facilities and appurtenances, if then premitted by law), if the pur-
pose of issuing such refunding Bonds under this sub-paragraph (b) is to make it possible to combine such existing and independently financed buildings, appurtenant facilities and related auxiliary enterprises with, and make the same a part or parts of the System, and the Revenues thereof are thereafter irrevocably pledged as Revenues of the System; and prior to the issuance thereof the Board is able to comply, and does comply, with the terms, provisions, conditions and limitations relative to the issuance of parity Bonds as set forth in Section 1101 of this Indenture, as shown by a statement of the Treasurer, approved by the Commissioner, and filed with the Trustee, as in said Section 1101 provided. In any such event the rentals, rates and other charges derived by the Board from the operation of such previously independently financed housing and dining buildings, appurtenant facilities and related auxiliary enterprises shall constitute Revenues of the Housing and Dining System and may be taken into account by the Treasurer in any statement filed with the Trustee in accordance with Section 1101 herein in connection with the issuance of parity Bonds.

Section 1104. Parity Bonds for Advance Refunding Purposes. Anything in this ARTICLE XI to the contrary notwithstanding, the Board further reserves the right, exercisable pursuant to the provisions of one or more Supplemental Trust Indentures as hereinafter provided, to issue bonds on a parity with Bonds and parity Bonds previously issued and outstanding under this Indenture, for the purpose of refunding all or any part of the Bonds of one or more Series (consistent with all provisions of this Indenture) which are not at the time subject to call for redemption, as well as Bonds of any one or more Series which are callable for redemption at a future date, if proper proceedings are had, taken, and duly filed with the Trustee showing that provision has been duly made for the payment thereof, whether at maturity or by redemption (generally referred to as "advance refunding"), if:
(a) the then existing Debt Service Reserve is not diminished;

(b) provision is made from the proceeds of such refunding Bonds or from other sources, for the segregation and deposit of moneys sufficient for payment and/or redemption of the outstanding Bonds so to be refunded;

(c) the moneys so provided for the payment, whether at maturity or upon call for redemption, of the outstanding Bonds which are to be refunded (including principal, interest and redemption premium, if any), shall be deposited with the Trustee, at the time of delivery of such refunding Bonds in a "Special Bond and Interest Payment and Redemption Account," hereby permitted to be created to the credit of the Board upon the books of the Trustee, which by all proceedings incident to the issuance of such refunding Bonds, shall be pledged irrevocably and exclusively to the payment of the Bonds to be refunded;

(d) the moneys deposited in such Special Bond and Interest Payment and Redemption Account" are immediately invested in securities, or one or more combinations thereof, such as are described in paragraphs (a), (b) and (c) of Section 501 of this Indenture;

(e) in any event, either (i) the maximum amount required in any future Fiscal Year for payment of the principal of and interest on all Bonds remaining outstanding, together with the refunding Bonds, shall not exceed in any such Fiscal Year the amount corresponding thereto if there had been no refunding, or (ii) there shall first be procured and filed with the Trustee a certificate of the Treasurer conforming to all provisions of Section 1101 hereof, showing that the average of the Revenues for the two preceding Fiscal Years (with permitted adjustments) will not be less than one and thirty-hundredths (1.30) times the maximum amount required in any such future Fiscal Year with respect to Bonds which will remain outstanding and the refunding Bonds;

whereupon the Bonds to be refunded shall be payable exclusively from the "Special Bond and Interest Payment and Redemption Account" in the same manner as is provided in this Indenture with respect to Bonds which are payable from the System Sinking Fund; the owners and holders of the Bonds for the payment of which such
funds are so provided shall look exclusively to the Trustee for the payment thereof; and the Trustee, at the request and at the expense of the Board, shall execute and deliver any and all instruments appropriate to evidence the release of this Indenture as to the security and source of payment of such Bonds to be refunded.

ARTICLE XII
SUPPLEMENTAL TRUST INDENTURES

Section 1201. Authorization to Enter into Supplemental Trust Indentures; Purposes. The Board and the Trustee, from time to time and at any time, subject to the conditions and restrictions in this Indenture contained, may, and when so required by this Indenture shall, enter into such indentures supplemental hereto ("Supplemental Trust Indentures"), as may or shall by them be deemed necessary or desirable for any one or more of the following purposes, among others:

(1) To evidence the issuance of each future Series of Bonds, to provide for the maturities, redemption provisions and other details thereof, and to provide for such adjustments thereafter to be made in the various special funds or accounts herein created, in order to conform to the conditions relating to the issuance of such Series of Bonds;

(2) To evidence the succession of another public corporation or state agency or officer to the Board, the Commission, or the Commissioner of Finance, and the assumption by such successor or successors of the respective covenants and obligations with reference to the Bonds;

(3) To evidence the succession of another bank or trust company as Trustee as herein otherwise permitted and provided and the acceptance by and on behalf of such successor of the provisions of this Indenture;

(4) For the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any Supplemental Trust Indenture; or

(5) For any other purpose not inconsistent with the terms of this Indenture, and which shall not impair the security of the same.
Section 1202. Supplemental Trust Indentures to Constitute Part of Original Indenture. The Trustee is authorized to join with the Board in the execution of any Supplemental Trust Indenture, and to make the further agreements and stipulations which may be therein contained.

Any Supplemental Trust Indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Indenture; and all of the terms and conditions contained in any such Supplemental Trust Indenture as to any provision authorized to be contained therein shall be and be deemed to be a part of the terms and conditions of this Indenture for any and all purposes.

ARTICLE XIII
REMEDIES

Section 1301. Statutory Mortgage Lien; Enforcement. That for the protection of the holders of the Bonds secured by this Indenture and the interest coupons, if any, thereto attached, a statutory mortgage lien upon the buildings and appurtenant facilities of said Housing and Dining System, such portions of the respective sites as are physically occupied thereby, and all necessary appurtenances, including provision for adequate ingress, egress, and the rendering of necessary services, is granted and created by Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding as provided by law, shall take effect immediately upon the delivery of any of said Bonds, and shall continue so long as any of the Bonds (and parity Bonds), shall be outstanding and unpaid. The Trustee may, and upon the written request of the holders of not less than twenty-five percent (25%) of the principal amount of the Bonds then outstanding, shall, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law and the provisions of this Indenture, including the exaction, collection and accounting for sufficient rents, fees and charges, and the segregation and application of the Revenues to the special funds as provided in this Indenture.
Section 1302. Events of Default. Each of the following events is hereby declared an "event of default," that is to say: if

(a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or prepayment or otherwise; or

(b) payment of any installment of interest shall not be made when the same shall become due and payable or within thirty (30) days thereafter; or

(c) the Board shall discontinue or unreasonably delay or fail to carry on with reasonable dispatch the construction of any undertaking for the erection, completion, furnishing and placing in operation of any educational buildings, appurtenant facilities, and/or related auxiliary enterprises for housing and dining purposes, or related auxiliary enterprises, for which Bonds or parity Bonds are issued; or

(d) the Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(e) the Housing and Dining System shall be destroyed or damaged and shall not be promptly repaired, replaced or reconstructed (whether such failure promptly to repair, replace or reconstruct the same be due to the impracticability of such repair, replacement or reconstruction or to lack of funds therefor or for any other reason); or

(f) an order or decree shall be entered, with the consent or acquiescence of the Board, appointing a receiver or receivers of the Housing and Dining System or of the income therefrom, or if such order or decree, having been entered without the acquiescence or consent of the Board, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry; or

(g) the Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture on the part of the Board to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Board by the Trustee, which may give such notice in its discretion and shall give such notice upon the written request of the holders of not less than fifteen percent (15%) in principal amount of the Bonds then outstanding.

Section 1303. Procedure on Default. Upon the happening and continuance of any event of default specified in Section 1302 of this Article, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five percent (25%) in principal amount of the Bonds then outstanding shall, by a notice in writing to the Board, declare the principal of all the Bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable,
anything contained in the Bonds or in this Indenture to the contrary not-withstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Indenture, moneys shall have been accumulated or deposited in the System Sinking Fund sufficient to pay all arrears of interest, if any, upon all the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date); and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in this Indenture (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee; then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five percent (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 1304. Legal Action on Default. Upon the happening and continuance of any event of default specified in Section 1302 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than fifteen percent (15%) in principal amount of the Bonds then outstanding hereunder shall proceed, to protect and enforce its rights and the rights of the bondholders under the laws of the Commonwealth of Kentucky or under this Indenture by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable
remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest or otherwise under any of the provisions of this Indenture or of the Bonds, and unpaid, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys in the System Sinking Fund, the System Debt Service Reserve, the System Repair and Maintenance Reserve, and the Revenues of the System pledged to the payment of the Bonds by this Indenture) in any manner provided by law, and moneys adjudged or decreed to be payable.

Section 1305. Rights of Majority on Default. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds at the time outstanding hereunder shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to bondholders not parties to such direction.

Section 1306. Rights of Trustee on Default. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee, may be enforced by the Trustee without the possession of any of the Bonds or the coupons appertaining thereto or the production thereon on the trial or other proceeding relative thereto. Any such suit, action, or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions
of this Indenture. No remedy herein conferred upon or reserved to the Trustee
is intended to be exclusive of any other remedy or remedies, and each and every
such remedy shall be cumulative and shall be in addition to every other remedy
given hereunder or now or hereafter existing at law or in equity or by Statute.
No delay or omission of the Trustee or of any holder of the Bonds to exercise
any right or power accruing upon any default shall impair any such right or power
or shall be construed to be a waiver of any such default or an acquiescence
therein, and every power and remedy given by this Article to the Trustee and to
the holders of the Bonds, respectively, may be exercised from time to time and
as often as may be deemed expedient.

ARTICLE XIV

PARTICULAR COVENANTS OF THE BOARD

Section 1401. Ownership of Pledged Sites. The Board covenants and
agrees that it has lawful ownership and control of the sites of all the buildings
and appurtenances of the Housing and Dining System as defined in Section 101,
definition (7) hereof; that said properties are (or will be, upon the Closing
Date), free from any and all liens and encumbrances except the Bonds authorized
herein and except also as to any Privately Held Bonds, provision for the retirement
of which in full (both principal and interest) will have been made by the deposit
of sufficient funds in escrow as set out in ARTICLE 7 hereof, and that the Board
will warrant and defend the title thereto against all claims and demands whatsoever.

Section 1402. Payment of Principal and Interest. The Board covenants
and agrees that it will duly and punctually pay or cause to be paid the principal
sum, and the interest accruing on said principal, on each and every one of the
Bonds secured hereby, at the dates and places, and in the manner provided in
said Bonds and in the coupons thereunto appertaining, according to the terms
thereof and of this Indenture.

Section 1403. Insurance on Properties. The Board covenants and
agrees that, effective at the Closing Date, the Board will procure, and
thereafter maintain so long as any of the Bonds are outstanding, fire and
extended coverage insurance on all insurable facilities of the Housing and
Dining System in amounts sufficient to provide for not less than full recovery
whenever the loss from causes covered by such insurance does not exceed eighty
percent (80%) of the full insurable value of the properties which are insured;
and also boiler explosion insurance in a minimum amount of $50,000 covering
any steam boilers serving the Housing and Dining System. Such insurance shall be in the State Fire and Tornado Insurance Fund of the Commonwealth of Kentucky, or shall be insured by reputable insurance companies and by policies in form satisfactory to the Trustee; with losses, if any, to be made payable to the Trustee as its interest may appear.

The Board will within a reasonable time after the execution hereof and within four (4) months after the close of each Fiscal Year thereafter, furnish to the Trustee a statement in writing, signed by an officer of the College, setting forth the full insurable value of the Housing and Dining System, and fully describing all insurance then in force; but the Trustee may, at its option, require the Board to deposit with it any or all of such insurance policies, or certificates or copies thereof, and shall require such deposit in the event of occurrence of any event of default, as herein defined.

Section 1404. Disposition of Insurance Proceeds; Redemption of Otherwise Non-Callable Bonds from Proceeds of Insurance. If the total received by the Trustee upon all policies shall, in case of any particular loss, be less than the sum of Ten Thousand Dollars ($10,000), the amount shall be paid over by the Trustee to or upon the order of the Board and shall be applied to the extent required for replacement or repair of, or substitutes for, the damaged or destroyed property; but the Trustee shall not be obligated to see to the application thereof; and in all other cases the proceeds of any and all insurance on any part of such property which may be received by the Trustee shall be applied by the Trustee as hereinafter in this Section provided. In the event total or substantially total destruction of all revenue-producing facilities of the Housing and Dining System shall occur, and the Trustee shall recover sufficient insurance proceeds (net after reasonable expenses incident to recovery) to permit, by using such insurance proceeds and moneys then accumulated in the System Revenue Fund, the System Sinking Fund, the System Debt Service Reserve, and the System Repair and Maintenance Reserve, the full payment and retirement of all outstanding Bonds, the Trustee may in its discretion and shall upon written demand of the holders of twenty-five percent (25%) or more

*(See qualification, ARTICLE XIV, Section 1405 hereof.)
of the outstanding Bonds, apply all of such moneys or so much thereof as may be necessary to such payment and retirement. In such event the Bonds which are stated to be non-callable except through application of the proceeds of insurance, shall be and become subject to redemption upon notice given at the time and in the manner herein provided with respect to redemption of Bonds which are stated to be subject to redemption; and the redemption terms applicable to such otherwise non-callable Bonds shall be the same as the highest terms at that time applicable to any outstanding Bonds of the same Series; and in the event of full retirement of all outstanding Bonds under such circumstances this Indenture shall be of no further effect, and if there be any moneys remaining in the custody of the Trustee under the provisions hereof (after payment of all reasonable expenses and proper charges of the Trustee), the Trustee shall remit the same to the Board and shall provide to the Board acceptable record evidence of all of the foregoing. In the event of any damage to, or the destruction of, the Housing and Dining System, the Board (unless it elects to pay and redeem all outstanding Bonds) shall promptly arrange for the repair and reconstruction of the damaged or destroyed portion thereof, and shall arrange for the application of the proceeds of the insurance for that purpose, as is hereafter in this Section provided.

Effective as of the Closing Date, as hereinabove provided, and so long thereafter as the funds and investments of the System Sinking Fund are insufficient to provide current debt service plus the required System Debt Service Reserve, the Board will procure and maintain use and occupancy insurance, or loss or rentals insurance, on the Housing and Dining System, in an amount sufficient to enable the Board to deposit in the System Sinking Fund out of the proceeds of such insurance an amount equal to the sum which would normally have been available for deposit in such System Sinking Fund from the Revenues of the damaged building, or buildings, and/or other facilities, during the time the same is or are non-revenue-producing as a result of loss of use caused by hazards covered by fire and extended coverage insurance.

All insurance moneys received by the Trustee under the provisions of this Section (except the proceeds of use and occupancy insurance, or loss
of rentals insurance, which shall be deposited in the System Sinking Fund; and all property insurance in amounts of less than Ten Thousand Dollars ($10,000) above provided to be paid over to the Board, shall be held by the Trustee as substituted security, and the same shall be by the Trustee paid out from time to time upon written order of the Board, signed by the Treasurer and Secretary, and accompanied by an approving certificate of an architect or engineer, for the purpose of paying the reasonable cost of repairing or replacing part or all of the property damaged or destroyed; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs or replacements, and said insurance moneys shall be paid out by the Trustee only when the same (together with other moneys provided by the Board, if necessary), shall be fully sufficient to complete such repairs or replacements, as shown by the said certificate of an architect or engineer. Every such order of the Board for the payment of insurance moneys shall state that the Board is not in default under any of the terms and provisions of this Indenture. The Trustee shall be fully protected in paying any such cash to or upon the order of the Board upon receipt of the showings above specified. However, the Trustee shall have the right, but shall not be obliged, to require the Board to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Board to the withdrawal of any such insurance moneys. In the event that any insurance proceeds shall remain after the completion of such repairs or replacements, then the Trustee shall deposit such moneys in the System Sinking Fund provided for by ARTICLE IX hereof, and such moneys shall be either (a) used for the redemption of outstanding Bonds, or (b) added to the System Debt Service Reserve, as the Board may direct.

Section 1405. Public Liability Insurance. The Board covenants and agrees that so long as any of the Bonds are outstanding the Board will, if such insurance is not already in force, procure and maintain public liability insurance (including vehicular liability insurance) with limits of not less than One Hundred Thousand Dollars ($100,000) for one person and Three Hundred Thousand Dollars ($300,000) for more than one person involved
in one accident, to protect the Board from claims for bodily injury and/or death which may arise from the operations of the Board including any use or occupancy of its grounds, structures and vehicles, and vehicle property damage insurance with limits of not less than Ten Thousand Dollars ($10,000); provided, however, such public liability insurance and the boiler explosion insurance referred to in Section 1403 hereof, need not be procured and maintained so long as provision is otherwise made by law for disposition of claims against the Board and/or the College, of such character as would be covered thereby.

Section 1406. Maintenance of System. The Board covenants and agrees that it will at all times maintain, preserve and keep the Housing and Dining System and every part thereof in good condition, repair and working order and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the Housing and Dining System, and every part thereof, shall at all times be conducted properly and advantageously; and whenever any portion of the said System shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal value, utility and efficiency so that the value and efficiency of said System shall at all times be fully maintained.

Section 1407. Permissible Disposition of System Facilities. The Board covenants and agrees that, so long as any of the Bonds are outstanding, it will not sell or otherwise dispose of any of the System facilities or any part thereof, and, except as provided for in ARTICLE XIV above, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the Series A to K Bonds. Notwithstanding the foregoing, the Board may at any time permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

(a) It is in full compliance with all covenants and undertakings in connection with all of its Bonds then outstanding and payable from the revenues of the System and the System Debt Service Reserve for such Bonds has been fully established;

(b) It will, in the event of sale, apply the proceeds to either

(a) redemption of outstanding Bonds in accordance with the
provisions governing repayment of Bonds in advance of maturity, or (b) replacement of the facility so disposed of by another facility the revenues of which shall be incorporated into the System as hereinbefore provided;

(c) It certifies, in good faith, prior to any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing net revenues; and

(d) It certifies, in good faith, that the estimated net revenues of the remaining System facilities for the then next succeeding fiscal year, plus the estimated net revenues of the facility, if any, to be then added to the System satisfy the earnings test hereinbefore provided in ARTICLE XIV governing issuance of additional Parity Bonds.

Section 1408. Replacement of Trustee. The Board covenants and agrees that whenever necessary to avoid or fill a vacancy in the office of the Trustee, the Board, in the manner provided in ARTICLE XV hereof, will appoint a trustee so that there shall at all times be a trustee hereunder which shall at all times be a bank or trust company having its principal office and place of business in the Commonwealth of Kentucky, if there be such a bank or trust company willing and able to accept the trust upon reasonable or customary terms; otherwise, a qualified trustee elsewhere.

Section 1409. Validity of This Indenture. The Board covenants and represents that it is duly authorized under the laws of Kentucky and under all other applicable provisions of law to create and issue the Bonds herein provided for, to execute and deliver this Indenture, and to pledge the Revenues of the Housing and Dining System, as herein provided; that all corporate and/or other actions on its part for the creation and issuance of said Bonds and the execution of this Indenture have been duly and effectually
taken; that said Bonds, when issued and in the hands of the holders thereof, are and will be valid and enforceable obligations of the Board; that this Indenture is and always will be a valid Indenture to secure the payment of said Bonds; and that the Board has complete and lawful authority and privilege to own, construct, maintain and operate all of the buildings and facilities of the Housing and Dining System.

Section 1410. Compliance with Indenture. The Board covenants and agrees that it will not issue, or permit to be issued, any Bonds or other obligations hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained; and that it will faithfully observe and perform all conditions, covenants and requirements of this Indenture and of all indentures supplemental hereto.

Section 1411. Excluded Facilities May Become Part of the System. With respect to any educational buildings and appurtenant facilities for housing and dining purposes, and/or related auxiliary enterprises, which the Board does not now have but may hereafter erect for and finance under lease to fraternities, sororities, or other similar student groups (and which will not constitute parts of the System, as defined in this Indenture), the Board covenants and agrees that in the event the same, or any of them, shall at any time cease to be subject to such lease-financing agreements (whether by reason of default on the part of a lessee, mutual agreement, or otherwise), and shall thereby become facilities of the Board of such nature as to become revenue-producing on an adjustable and continuing basis as in the case of housing and dining facilities or auxiliary enterprises which are otherwise defined and included in the aforesaid "Housing and Dining System," -- then the Board shall, and it hereby covenants that it will, by proper action on its part, and as evidenced by one or more "Supplemental Trust Indentures," as herein provided, constitute the same as a part or parts of said System, whereupon, and thereafter, the same (but subject, nevertheless, to all liens and other security rights previously created and existing for the security and source of payment of any bonds or other obligations outstanding in connection therewith) shall (a) be and become subject to the statutory mortgage
lien herein recognized as a part of the security for the Bonds and parity Bonds, and (b) the Revenues thereof, as that term is herein defined, shall be subject to the pledge of Revenues of the System as herein otherwise provided. In any such event, the Board may, as determined in the applicable Supplemental Trust Indenture, provide either (i) that the bonds or other obligations previously issued and outstanding for the financing thereof shall remain outstanding with full recognition of all liens and other security rights previously provided in connection therewith, or (ii) that such previously issued bonds or other obligations shall be refinanced through the issuance of parity bonds according to the Board's reservation of right in that connection, as set forth and otherwise applicable in ARTICLE XI hereof.

Section 1412. Records. The Board covenants that it will keep accurate financial records and proper books relating to (a) the System, (b) such other facilities, if any, the revenues of which are or may be pledged to secure the Bonds, and (c) other pledged revenue sources, and such records and books shall be open to inspection by the Bondholders and their agents and representatives.

The Board further covenants that not later than one hundred twenty (120) days after the close of each fiscal year, consistent with fiscal policies of the Commonwealth of Kentucky, the Board will furnish to the Trustee and to any Bondholders who shall request same in writing, copies of audit reports prepared by an independent public accountant, or where appropriate, by the State Auditing official, as may be required by law, reflecting in reasonable detail the financial condition and record of operation of the Board, the System, any other pledged facilities, and any other pledged revenue sources, including particularly the student enrollment, the occupancy or degree of use of and rates charged for the use of, and the insurance on, the System and any other facilities the revenues of which may hereafter be pledged in any Supplemental Trust Indenture, and the status of the several accounts and funds required by this Trust Indenture and by any Supplemental Trust Indenture.

Section 1413. Parietal Rules, Rental Rates and Charges. The Board covenants and agrees that it will establish and maintain so long as any of the Bonds are outstanding, such parietal rules, rental rates and charges for the
use of the System facilities and such other facilities the Revenues of which are pledged to the payment of the Bonds as may be necessary to (1) assure maximum occupancy and use of said facilities and (2) provide together with any other funds herein pledged to payment of the Bonds (a) the operating and maintenance expenses of said facilities not provided from other resources, (b) the debt service on the Bonds, (c) the required reserve therefor, and (d) the System Repair and Maintenance Reserve for which provision is herein made.

Section 1414. Student Union Fee Constitutes Part of the Pledged Revenues of the System. The Board has heretofore pledged as a part of the security and source of payment of the Previously Issued Waterfield Student Union Bonds referred to in Section 203 of ARTICLE II hereof and which are provided to be refinanced according to Sections 501 and 502 of ARTICLE V hereof, the gross amount generated to the Board and to the College from the exaction and collection of the student union fee in the sum of $5.00 per full-time student enrolled at the College for each of the two semesters of the regular academic year; and the Board hereby pledges as a part of the Revenues of the System and as a part of the security and source of payment thereof said student union fee in such stated amount, and the amounts realized from time to time from the exaction and collection thereof shall constitute continuing Revenues of the System and may be taken into account in making the computations and certifications relating to the permissible issuance of Parity Bonds as provided in ARTICLE XI of this Indenture.
ARTICLE XV
CONCERNING THE TRUSTEE

Section 1501. Duties and Immunities of Trustees. The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it, by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trusts hereof and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the terms of the trusts hereof; and the Board covenants and agrees to repay upon demand all such outlays and expenditures so incurred.

(b) Except for the authentication of Bonds, the Trustee shall not be responsible for any recitals herein or in said Bonds or for insuring any of the buildings or facilities of the Housing and Dining System, or for collecting any insurance moneys, or for the execution of this Indenture or of any Supplemental Trust Indentures, or instruments of further assurance of the validity thereof, or for the sufficiency of the security for the Bonds issued under or intended to be secured hereby, or for the value or title of the Board to the Housing and Dining System, or as to the maintenance of the security hereof; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Board contained herein, but the Trustee may require of the Board full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the Housing and Dining System.

(c) All moneys received by the Trustee under any provision of this Indenture shall, until used or applied as provided in this Indenture, be held in trust for the purpose for which such moneys were received, but need not be segregated from other funds except to the extent required by law and by the provisions of this Indenture. The Trustee shall not be obligated to pay interest on such moneys, save such as it shall agree to pay thereon. The Trustee may become the owner of Bonds or coupons secured hereby with the same rights which it would have if not Trustee.
(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct, and to have been signed or sent by the proper person or persons, and the Trustee shall not be required to recognize any person as a holder of any Bond or coupon or to take any action at his request unless such Bond or coupon shall be deposited with the Trustee, or submitted to it for inspection. Any action taken by the Trustee pursuant to this Indenture, upon the request or authority or consent of any person, who at the time of making such request or giving such authority or consent, is the owner of any Bond secured hereby, shall be conclusive and binding upon all future owners and holders of such Bonds.

(e) The Trustee shall not be compelled to do any act hereunder, or to take any action toward the execution or enforcement of the trusts hereby created or to prosecute or to defend any suit in respect hereof, unless indemnified to its satisfaction against loss, cost, liability and expense.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Board signed by the Chairman and attested by the Secretary as sufficient evidence of the facts therein contained, and shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may, in its discretion, at the reasonable expense of the Board, in every case secure such further evidence as it may deem necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary of the Board, under its corporate seal, to the effect that a resolution in form therein set forth has been adopted by the Board as conclusive evidence that said resolution has been duly adopted, and is in full force and effect. The Trustee may in relation to this Indenture act upon the opinion or advice of any attorney, valuator, surveyor, engineer, accountant, or other expert, whether retained or selected by the Trustee, the Board, or otherwise, and in the absence of negligence or fault shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

(g) The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it by this Indenture or in the absence of negligence or fault be responsible for the consequences of any oversight or error of judgment, and the Trustee shall be answerable only for its own acts, receipts, neglects and defaults.

(h) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, architects, accountants and representatives, shall have the right fully to inspect any and all of the Housing and Dining System, including all books, papers and contracts, the records and accounts of the Board and College, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect to the premises.
Section 1502. Resignation of Trustee. The Trustee may at any time resign and be discharged of the trust hereby created by mailing written notice to the Board and to each registered owner of Bonds, specifying the day upon which such resignation shall take effect, and thereafter, unless all outstanding Bonds are registered as to principal, causing notice thereof to be published (a) in a daily newspaper of general circulation at the time published in the English language in the City of Louisville, Kentucky, and (b) in a financial newspaper or journal published in the English language in New York City, New York, once a week for three (3) consecutive weeks prior to the date upon which such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless previously a successor Trustee shall have been appointed by the bondholders or the Board in the manner hereafter in this Article provided, and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

Section 1503. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Trustee and to the Board, and signed by the holders of a majority in principal amount of the Bonds hereby secured and then outstanding.

Section 1504. Approval of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in principal amount of the Bonds hereby secured and then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized; provided, nevertheless, that in any such event the Board by an instrument signed by the Chairman, and attested by the Secretary, under its corporate seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the bondholders in the manner above provided, and any such Temporary Trustee so appointed by the Board shall immediately and without further act be superseded by the Trustee so appointed by such bondholders. Each successor Trustee appointed pursuant to the provisions of this
Indenture shall be a trust company or bank with its principal office in the
Commonwealth of Kentucky and having a reported combined capital and surplus
of at least One Million Dollars ($1,000,000); or if no successor Trustee in
said Commonwealth shall be available and willing to assume the obligations
and responsibilities of a successor Trustee hereunder, then a similarly
qualified successor Trustee elsewhere in the continental United States.

Section 1505. Acceptance of Successor Trustee. Every successor
Trustee appointed hereunder shall execute, acknowledge and deliver to its
predecessor and also to the Board, an instrument in writing accepting such
appointment hereunder, and thereupon such successor Trustee without any fur­
ther act, deed or conveyance, shall become fully vested with all the rights,
powers, trusts, duties and obligations of its predecessor; but such prede­
cessor shall nevertheless, on the written request of the Board, execute and
deliver an instrument transferring to such successor Trustee all of the
rights, powers, and trusts of such predecessor hereunder; and every prede­
cessor Trustee shall deliver all securities and moneys held by it to its
successor. Should any conveyance or instrument in writing from the Board
be required by any successor for more fully and certainly vesting in such
Trustee the rights, powers and duties hereby vested or intended to be vested,
in the predecessor Trustee, any and all such conveyances and instruments in
writing shall, on request, be executed, acknowledged and delivered by the
Board.

ARTICLE XVI
AMENDMENTS AND MODIFICATIONS OF THIS INDENTURE

Section 1601. Modification by 75% of Bondholders. The provisions
of this Indenture shall constitute a contract between the Board, the Trustee,
and the holders of the Bonds as may be outstanding from time to time under
this Indenture; provided that modifications, alterations and amendments of
this Indenture and of the rights and obligations of the Board and of the Trustee
and of the holders of said Bonds as may be outstanding may be made as in this
Section provided.
In the event that it shall appear desirable and to the advantage of the Board, the Trustee and the holders of said Bonds, the Board may adopt a resolution modifying, altering, or amending this Indenture, and the Trustee may concur therein, as evidenced by a Supplemental Trust Indenture, according to the provisions hereof, but providing therein that the same shall not become effective unless and until it has had the approval of the holders of the Bonds as hereinafter set out. Immediately upon the adoption of such resolution, the Board shall set a time and place for and call a meeting of the holders of the Bonds to be held at a designated place in the City of Murray, Kentucky, or in the City of Louisville, Kentucky. Written notice of any such meeting, stating the place and time thereof and in general terms the matter to be submitted, shall be mailed not less than thirty (30) days before such meeting:

(a) to each owner of Bonds registered as to principal then outstanding, addressed to him at his address appearing on the registration books;

(b) to each known holder of all other Bonds then outstanding, addressed to him as his name and address appear from the most recent information; and

(c) to the Trustee;

and shall be published at least once in each of two successive calendar weeks immediately preceding the week which includes the date fixed for such meeting in a newspaper or financial journal of general circulation in each of the Cities of Murray and Louisville, Kentucky, and New York City, New York. All holders of Bonds outstanding at the time of such meeting shall be entitled to vote thereat, and such attendance may be in person or by proxy. Each person seeking to attend or vote at any such meeting must, if required, produce such proof of ownership of Bonds or of personal identity as shall be satisfactory to the inspectors of votes. Every proxy shall be signed by the holder of the Bonds or by his duly authorized attorney and shall be witnessed, and its genuineness if questioned shall be established to the satisfaction of the inspectors of votes. The holders of the Bonds and the holders of proxies present, shall by a majority vote, irrespective of the amount of their holdings, select two persons from those present to act as chairman and secretary, respectively, of the meeting, and also select two other persons from those present to act as
inspectors of votes, who shall count all votes cast at such meeting and who shall make and file with the secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting.

The holders (or persons entitled to vote the same) of not less than sixty-five percent (65%) in principal amount of Bonds entitled to be voted at such meeting must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business; less than a quorum, however, having the power to adjourn.

At such meeting, or any proper adjournment thereof, there shall be submitted to the holders of the Bonds for their approval the resolution theretofore adopted proposing the modification, alteration or amendment, and the text of the proposed Supplemental Trust Indenture intended to effectuate the same.

Any such modification or alteration or amendment of this Indenture or of any rights and obligations of the Board, or of the Trustee, or of the holders of the Bonds in any particular may be approved at a meeting duly convened and held in accordance with the provisions of this Section, but only by a resolution duly adopted by the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of sixty-five percent (65%) or more in aggregate principal amount of the Bonds outstanding when such meeting is held; provided, however, that no such modification, alteration, or amendment shall be made which will permit (a) an extension of time of payment at maturity of the principal of or payment of the interest on any Bond, or a reduction in the rate of interest thereon without written consent of the holder of such Bonds, or (b) reduce the percentage of holders of Bonds required by the provisions of this Section for the taking of any action under this Section; and provided, further, that no such modification, alteration, or amendment herein authorized which in the opinion of the Trustee, affects the rights, duties, or immunities of the Trustee under this Indenture may be made without the consent of the Trustee.

A record of the proceedings of each such meeting shall be prepared by the secretary of the meeting and shall have attached thereto the original counterparts of the reports of the inspectors of votes and affidavits by one.
or more persons having knowledge of the facts, setting forth a copy of the notice of the meeting and a copy of the record of any adjournment thereof, and showing that said notices were duly given as herein provided. Such records shall be signed and verified and one copy thereof shall be filed with the Secretary of the Board, and another shall be filed with the Trustee for preservation by the Trustee, and thereupon the proposed modifications, alterations and amendments, aforesaid, shall become effective, but otherwise shall be null and void.

Section 1602. Supplemental Indentures Evidencing Amendment. When proper evidence is filed with the Trustee of due compliance with all of the provisions of Section 1601 of this Indenture, the Trustee shall be authorized to execute and deliver to the Board such Supplemental Trust Indenture as may be shown to have been approved and authorized thereby.

ARTICLE XVII
RELEASE AND DISCHARGE OF INDENTURE; PARTIAL RELEASES

Section 1701. Deposit of Balance Due on All Bonds. Whenever the Board shall pay, or cause to be paid, the full amount due and to become due upon all of the Bonds and other obligations hereby secured and then outstanding, or shall provide for full payment thereof by depositing with the Trustee hereunder, for the discharge of such Bonds (and coupons, if any), the entire amount due and to become due thereon, in any manner herein permitted, and shall, in case of redemption of all of the outstanding Bonds, deliver to the Trustee proof satisfactory to it that notice of redemption of all of the outstanding Bonds has been duly given, and shall pay the Trustee in full for all services rendered by it hereunder, then and in that event these presents and the trust hereby created shall cease and terminate, and further payments from the Revenues hereby pledged to the Trustee shall thereupon cease, terminate and become void, except as to payment of the moneys held by the Trustee, in trust, which shall be applied by said Trustee to the payment of such Bonds and/or coupons upon the presentation and surrender thereof. Any deposit of money or of securities, or one or more combinations thereof, such as are described in paragraphs (a), (b) and (c) of Section 501 of ARTICLE V of this Indenture, with the Trustee for
the purpose of paying, and sufficient in amount to pay, certain of the Bonds and interest due and to become due thereon, or certain of the coupons appertaining thereto, shall discharge the liability of the Board with respect to the Bonds and/or coupons for payment of which such deposit shall be made, and thereafter such Bonds and interest thereon, whether or not represented by coupons, shall not be entitled to any of the benefits of this Indenture; and in case of full payment of all the Bonds and coupons and the discharge of all other obligations on the part of the Board as herein provided, or in case of the deposit of a sufficient sum of money for the full payment of the Bonds and interest thereon, the Trustee shall execute and deliver to the Board on demand, at the cost and expense of the Board, all proper instruments that may be necessary to evidence the satisfaction and termination of this Indenture, or as related to the Bonds with respect to which the Board shall have complied with the foregoing conditions.

Section 1702. Refunding of Bonds. In the event that the Board shall elect, according to the provisions of ARTICLE XI hereof, to issue Bonds hereunder in order to provide for the refunding (whether by "advance refunding" or otherwise) of Bonds previously issued and outstanding pursuant to this Indenture or any Supplemental Trust Indenture and shall cause to be deposited with the Trustee in a "Special Bond and Interest Payment Redemption Account," as provided in ARTICLE XI, Section 1104 hereof, an amount sufficient (invested or secured as therein provided), to provide for the payment at maturity of the principal of and interest on the Bonds affected thereby, including any redemption premium incident to the call for redemption of any of such Bonds in the event provision is made for the redemption thereof then all sums so provided for such payment at maturity and/or redemption shall be segregated and set apart by the Trustee into a similar "Special Bond and Interest Payment Redemption Account," and shall be then and thereafter reserved and held by the Trustee in such "Special Bond and Interest Payment Redemption Account" and invested and reinvested to the credit thereof as provided in this Indenture, and held in trust solely for the payment of the principal of and interest on the Bonds so identified and referred to; whereupon the Trustee shall be authorized to, and at
the request and expense of the Board shall, execute and deliver to the Board such appropriate instruments as may be necessary or desirable to evidence that the obligations of the Board with reference to such identified Bonds have been fully discharged; and thereafter the owners and holders of the Bonds so identified shall look exclusively to the amounts so paid to and held in trust by the Trustee for the payment thereof. From and after such payment to the Trustee, and such release by the Trustee, as herein provided, such identified Bonds shall no longer be entitled to the securities provided by this Indenture, nor to the pledge of the Revenues of the Housing and Dining System, as otherwise provided herein.

Section 1703. Compensation and Expenses of Trustee. The satisfaction and discharge of this Indenture, in whole or in part, pursuant to this Article shall be without prejudice to the right of the Trustee to be paid any compensation then due hereunder and to be protected and saved harmless by the Board from any and all losses, liabilities, costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any Bond issued hereunder, and the Board hereby covenants to protect and save the Trustee harmless from any and all such losses, liabilities, costs and expenses incurred in acting under this Indenture, except such as may be caused by the gross negligence or willful default of the Trustee.

ARTICLE XVIII
MISCELLANEOUS PROVISIONS

Section 1801. Matured Bonds, Coupons and Interest Payment Dates. In the event that any Bond issued hereunder shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for the redemption or prepayment of some or all of the principal thereof, as hereinbefore provided, or in the event that any coupon shall not be presented for payment at the due date thereof (the Board having deposited with the Trustee funds sufficient to pay such Bond, together with all interest due thereon to the date of the maturity of such Bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be), then and in every such case, interest on said Bond or on said unpaid coupon,
if any, and all liability of the Board to the holder of said Bond for the payment of the principal thereof and interest thereon, or to the holder of said unpaid coupon for the payment thereof and interest thereon, as the case may be, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold the funds, so deposited, in trust for the benefit of the holder of such Bond or unpaid coupon, as the case may be, who shall thereafter be restricted exclusively to said funds for any claim of whatsoever nature on the part of such holder under this Indenture or in said Bond or any coupons appertaining thereto, or in said unpaid coupon.

Section 1802. Successors to Parties. Whenever in this Indenture any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Board, or by or on behalf of the Trustee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

Section 1803. Third Parties. Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the parties hereto and the holders of the Bonds and of coupons, if any, any right, remedy, or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions in this Indenture contained, by or on behalf of the Board, shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the Bonds and of coupons appurtenant thereto.

Section 1804. Agreements of Holders or Registered Owners. Any request, declaration or other instrument required or permitted by this Indenture to be made or given by bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any such request, declaration, or other instrument, or of a writing appointing any such attorney, and of the holding by any person of Bonds transferable by delivery, or interest
coupons, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee as against the person signing such request, and all future holders of the Bonds held by such person with regard to due action taken by the Trustee under such request, declaration, or other instrument, if made in the following manner:

The amount of interest coupons held by any person executing such instrument as a bondholder, and the amounts and issue numbers of the Bonds transferable by delivery held by such person, and the date of his holding the same, may be proved by an accompanying certificate executed by any trust company, bank, banker, institution or other depository (wherever situated) if such certificate shall be deemed by the Trustee to be satisfactory, showing therein that at the date therein mentioned such person had on deposit with or exhibited to such depository the Bonds and/or interest coupons described in such certificate. The Trustee may, nevertheless, in its discretion, require further proof in cases where it deems further proof desirable.

The ownership of registered Bonds shall be proved by the registry books.

Section 1805. Indenture Counterparts. This Indenture may be simultaneously executed in any number of counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The date of actual execution of this Indenture shall be the date of execution by the Trustee; but nevertheless the effective date hereof shall be the year and day first hereinabove written.

IN TESTIMONY WHEREOF, the BOARD OF REGENTS OF MURRAY STATE COLLEGE has caused its corporate name to be hereunto subscribed by its Chairman and its corporate seal to be hereto affixed, and said signature and seal to be attested by its Secretary, and said CITIZENS FIDELITY BANK AND TRUST COMPANY, Louisville, Kentucky, to evidence its acceptance of the trusts hereby created and vested in it, has caused its corporate name to be hereunto subscribed by its President or by one of its Vice Presidents, or by its Trust Officer, and its corporate seal to be hereto affixed and said signature and seal to be attested by its Secretary, Cashier, or Trust Officer, or a duly authorized Assistant, all as of the day and year first above written.
STATE OF KENTUCKY \\
COUNTY OF CALLOWAY

On this 19th day of February, 1965, before me, the undersigned, a Notary Public in and for said County, in the State aforesaid, appeared HARRY M. SPARKS and PATSY R. DYER, to me personally known and to me known to be the Chairman and the Secretary, respectively, of the BOARD OF REGENTS OF MURRAY STATE COLLEGE, one of the corporations described in and which executed the within and foregoing instrument and who being by me severally duly sworn, did say that he, the said HARRY M. SPARKS, is the Chairman of said Board of Regents, and she, the said PATSY R. DYER, is the Secretary of said Board of Regents; that the seal affixed to the within and foregoing instrument is the corporate seal of said College; that said instrument was executed, signed and sealed in behalf of said College by authority of its Board of Regents; and said HARRY M. SPARKS and PATSY R. DYER each acknowledged the execution of said instrument to be, and said instrument to be, the free
and voluntary act and deed of said College by it voluntarily executed through them as its duly authorized officers.


(SEAL)

STATE OF KENTUCKY )
) SS
COUNTY OF JEFFERSON )

On this 1st day of March, 1966, before me, the undersigned, a Notary Public in and for said County, in the State aforesaid, appeared W. J. Webster and J. L. Fischhoff, to me personally known and to me known to be the Dick Vice President and Assistant Treasurer, respectively, of the CITIZENS FIDELITY BANK AND TRUST COMPANY, Louisville, Kentucky, one of the corporations described in and which executed the within and foregoing instrument, and who being by me severally duly sworn each for himself did say that he, the said W. J. Webster is the Dick Vice President of said Corporation, and he, the said J. L. Fischhoff, is the Assistant Treasurer of said Corporation; that the seal affixed to the within and foregoing instrument is the corporate seal of said Corporation; that said instrument was executed, signed and sealed in behalf of said Corporation by authority of its Board of Directors; and said named officers each acknowledged the execution of said instrument to be, and the said instrument to be, the free and voluntary act and deed of said Corporation by it voluntarily executed through them as its duly authorized officers.


(SEAL)

Notary Public in and for the County and State aforesaid

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CERTIFICATE OF COUNTY CLERK

I, D. W. SHOEMAKER, Clerk of the County Court of Calloway County, Kentucky, hereby certify that the foregoing Trust Indenture was on the 4th day of April, 1966, at 11:30 a.m., C.S.T., filed in my office, to be and has been, together with the foregoing certificates attached thereto, recorded in Mortgage Deed Book No. 128, Page 183.

WITNESS my signature and official seal this 4th day of April, 1966.

[Signature]
County Clerk of Calloway County, Kentucky

[Seal]

By [Signature]
Deputy Clerk

This instrument was prepared by RUBIN & TRAUTWEIN, 200 Tyler Building, Louisville, Kentucky, 40202 - 585-2153

By [Signature]
Joseph R. Rubin
Section 10. In connection with the sale of said Bonds the Secretary of the Board is additionally authorized to sign, cause to be reproduced in mimeographed, printed or other multiple copy form, and to supply any interested party upon request, the Notice of Sale of Bonds and a Statement of Essential Facts giving a more detailed description of the proposed Bonds and information concerning the College, and to cause said Notice of Sale of Bonds to be published one time in THE COURIER-JOURNAL, a daily newspaper published in Louisville, Kentucky, and of general circulation throughout the Commonwealth of Kentucky, and which has been designated by the Commissioner of Finance of the Commonwealth of Kentucky as a newspaper providing reasonable state-wide coverage as required by Section 424.180 and Section 424.360, of the Kentucky Revised Statutes, and one time in THE BOND BUYER, a financial journal, published in New York City, New York, of general circulation among bond issue purchasers throughout the United States of America, soliciting sealed, competitive proposals for the purchase of said $12,670,000 of Bonds, the same to be received in the office of the Secretary of the College on the Campus of the College, until some day and hour when the Board of Regents will be in session, as may be determined by the President of the College. Publication in THE COURIER-JOURNAL shall be made once not less than ten days and not more than twenty-one days preceding the advertised day on which the sale is held, which is in compliance with KRS 424.130, and publication in THE BOND BUYER shall be made not less than fifteen days nor more than twenty-one days prior to the advertised date on which the sale is to be held, said time of sale being tentatively set for 11:00 A.M., C.S.T., on April 7, 1966, or at such other appropriate time as may be determined by the President of the College. The suggested form of said Notice of Sale of Bonds having been prepared and submitted by Bond Counsel, and the same having been examined by the Board of Regents and found to be in order, the same is hereby approved and may be used for the purposes of this Section 10.

Section 11. In said Notice, bidders shall be informed of the following bidding requirements:

Purchase bids of not less than face amount and accrued interest, at an average net interest cost not to exceed the respective interest rates stipulated above for the amount of Bonds offered to be purchased,
will be considered, subject to the following terms and conditions:
(1) No bid will be given favorable consideration if it offers to purchase less than all of the Bonds of any given Series maturing on and prior to September 1, 1975; (2) bidders may bid separately for the Bonds of any given Series, and may bid for part or all of the Bonds of one (or more) Series without bidding for Bonds of any other Series; (3) bidders may stipulate one or more interest coupon rates of their own choosing, in multiples of one-eighth (1/8) or one-tenth (1/10) of one percent (1%), with no limit as to the number of coupon rates; (4) all Bonds maturing on the same date shall bear interest at the same rate; (5) no Bond shall bear interest at more than one rate from date to maturity; (6) interest maturing on any Bond on any interest payment date shall not be represented by more than one coupon; and (7) the difference between the lowest and the highest interest rate specified in any bid shall not exceed one percentage point (1%).

In determining the lowest net average interest cost, the bid of the HHFA will not be taken into consideration. Otherwise, separate single awards as to each Series of Bonds will be made to the bidder(s) offering to purchase the largest consecutive principal amount of a Series of Bonds, considering each maturity date as a unit. If two or more purchase bids are for the same amount of Bonds, preference in award will be given to the bid resulting in the lowest net average interest cost; the same to be determined by ascertaining the total amount of interest required by the bid from September 1, 1965 (or from the most recent interest payment date), to the respective maturities, and deducting therefrom the total amount of any premium offered over and above the principal amount of the Bonds. Any Bonds not awarded pursuant to these provisions will be awarded to the HHFA in accordance with the provisions hereinabove set forth.

Section 12. Bond Counsel (Rubin & Trautwein, 200 Tyler Building, Louisville, Kentucky) employed by the Board are hereby authorized forthwith to send the necessary material to a qualified bond printing company known to be capable of preparing bonds according to HHFA specifications as to quality of workmanship and material, with instructions to proceed with the preparation of said Series A to K Bonds, the same to be completed as soon as possible after the public sale thereof, to the end that the entire $12,670,000 of Bonds of all Series may be available for execution and delivery at the earliest possible date.

When the Bonds have been completed and are available, they should be executed on behalf of the Board of Regents in the manner set forth in said 1965 Trust Indenture hereinabove approved; and on or after February 1, 1966 (the estimated date of delivery of said Bonds), the proper officers of the Board and of the College shall be and they are hereby authorized, upon the same day (or upon other arrangements, but only if acceptable to all parties concerned) to proceed, as follows:
(a) The sum of $447,000 shall be deposited in escrow as above provided, to meet the principal and interest requirements of the outstanding Privately Held Bonds. As and when said Privately Held Bonds have been retired, same shall be cancelled and destroyed and shall never be re-issued.

(b) There is hereby specifically appropriated the sum of $17,000, which is hereby directed to be prepaid to the HHFA on or before the estimated closing date of February 1, 1966, for the purpose of reducing the amounts of each of the outstanding HHFA Bonds to an amount which is in a multiple of $5,000, thereby facilitating the exchange (and/or refunding) of the unpaid outstanding HHFA bonds for the Bonds of the Series A to H of the Murray State College Housing and Dining System Revenue Bonds authorized herein, said $17,000 to be applied to prepay said outstanding HHFA bonds, as follows:

<table>
<thead>
<tr>
<th>Bond Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Student Union Revenue Bonds of 1957, dated November 1, 1957</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Dormitory Revenue Bonds of 1960, dated February 1, 1960</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Dormitory Revenue Bonds of June 1, 1960, dated June 1, 1960</td>
<td>$4,000.00</td>
</tr>
<tr>
<td>Student Housing Revenue Bonds of 1961, dated April 1, 1961</td>
<td>$3,000.00</td>
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<tr>
<td>Housing and Dining Hall Revenue Bonds of 1961, dated September 1, 1961</td>
<td>$3,000.00</td>
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<tr>
<td>Apartment Housing Revenue Bonds of 1962, dated September 1, 1962</td>
<td>$3,000.00</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$17,000.00</strong></td>
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</tbody>
</table>

(c) The Series A to H Bonds authorized herein (and as set out in detail in Section 203 of said Trust Indenture) in the amount of $6,630,000, shall be delivered to the HHFA in exchange for surrender by the HHFA for cancellation, of the outstanding $6,630,000 of Bonds of the College held by the HHFA, unless, except and to the possible extent that all or any part of said Series A to H Bonds shall be purchased by a purchaser or purchasers at the public sale thereof other than the HHFA, in which event, to that extent, the HHFA shall be paid
cash in lieu of the issuance of such of the maturities of said Series A to H Bonds as shall be purchased by a non-HHFA purchaser.

(d) Said Series A to H Bonds, unless, except and to the possible extent referred to, shall be delivered to the HHFA in exchange for surrender of the outstanding HHFA Bonds, with such adjustment of accrued interest upon the Bonds delivered and the Bonds surrendered as will prevent any overlapping, duplication or loss or interest; and thereafter as soon as may be expedient, the aforesaid surrendered outstanding HHFA Bonds shall be cancelled or destroyed, just as the aforesaid surrendered Privately Held Bonds, and the same shall never be reissued.

(e) The Series I, J and K Bonds shall be delivered to the purchaser(s) thereof upon payment of the purchase price with accrued interest to delivery.

Section 13. This Resolution shall be in full force and effect from and after its adoption and approval.

Adopted by the Board of Regents of Murray State College at a meeting held on the 19th day of February, 1961.

(Seal of College)

ATTEST:

Chairman, Board of Regents

Secretary

Full discussion followed, and the Chairman thereupon put the question, and upon call of the roll, the vote was recorded as follows:

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<tr>
<th>Yeas for the Motion</th>
<th>Nays against the Motion</th>
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<tbody>
<tr>
<td>Harry M. Sparks, Chairman</td>
<td>None</td>
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<td>J. Ernest Fall</td>
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<td>Max J. Blythe</td>
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<tr>
<td>George Hart</td>
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<td>C. H. Hall</td>
<td></td>
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<tr>
<td>Bob Treas Long</td>
<td></td>
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<tr>
<td>O. B. Springer</td>
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</table>
Thereupon, the Chairman declared that said Motion had carried and that said Resolution had been duly adopted and was in full force and effect.

A motion was then made by member [Signature] that the meeting be adjourned until March 9, 1966, at 11:00 A.M., CST, which motion was seconded by member [Signature] and unanimously carried. Whereupon, the meeting was adjourned until March 9, 1966, at 11:00 A.M., CST.

Patsy R. Dyer
Secretary

CERTIFICATE OF SECRETARY

I, Patsy R. Dyer, hereby certify that I am the duly qualified and acting Secretary of the Board of Regents of Murray State College, that the foregoing is a true and accurate transcript of the Minutes of a regular quarterly meeting of said Board held on February 19, 1966, insofar as such minutes pertain to the matters set out in such transcript; and that there are attached hereto, full, true and correct copies of:

(1) the Resolution entitled:

RESOLUTION OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE APPROVING AND ACCEPTING THE WAIVER NO. 1 AS TO PROJECT NO. CH-KY-90(D) TENDERED TO THE BOARD BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN SUBSTANCE PROVIDING FOR THE ESTABLISHMENT BY THE BOARD OF A HOUSING AND DINING SYSTEM OF MURRAY STATE COLLEGE, AND THE ISSUANCE OF $12,670,000 OF THE BOARD'S "HOUSING AND DINING SYSTEM REVENUE BONDS," SERIES A TO K, TO BE DATED SEPTEMBER 1, 1965, WHICH WAIVER NO. 1 IS IN EFFECT A REVISED LOAN AGREEMENT.

(2) the Resolution entitled:
RESOLUTION OF THE BOARD OF REGENTS OF MURRAY STATE COLLEGE, MURRAY,
KENTUCKY, PROVIDING FOR THE ISSUANCE AND SALE OF $12,670,000 OF
MURRAY STATE COLLEGE HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES
A TO K; AUTHORIZING THE ESCROWING OF THE SUM OF $447,000 FOR THE
PURPOSE OF MEETING THE PRINCIPAL AND INTEREST REQUIREMENTS AS
SAME FALL DUE ON $447,000 OF PRIVATELY HELD REVENUE BONDS OF THE
COLLEGE; AUTHORIZING THE PREPAYMENT BY THE COLLEGE TO THE HOUSING
AND HOME FINANCE AGENCY OF THE UNITED STATES GOVERNMENT OF THE
SUM OF $17,000, TO REDUCE THE RESPECTIVE AMOUNTS OF CERTAIN ISSUES
OF OUTSTANDING BONDS OF THE COLLEGE HELD BY THE HHFA SO THAT THE
AMOUNTS OF SUCH OUTSTANDING ISSUES OF BONDS WILL BE ROUNDED TO
MULTIPLES OF $5,000; AUTHORIZING THE EXCHANGE OF THE $6,630,000 OF
SERIES A TO H BONDS HEREBIN AUTHORIZED FOR OUTSTANDING BONDS OF THE
COLLEGE HELD BY THE HHFA, IN THE SAME RESPECTIVE PRINCIPAL AMOUNTS,
BEARING INTEREST AT THE SAME RATES AND BEARING SUBSTANTIALLY
SIMILAR MATUREITIES, SUCH EXCHANGE TO BE EFFECTED UNLESS, EXCEPT
AND TO THE EXTENT THAT ANY OF SAID SERIES A TO H BONDS SHALL BE
PURCHASED BY A NON-GOVERNMENTAL PURCHASER THEREOF; AUTHORIZING THE
EXECUTION OF A TRUST INDENTURE BETWEEN THE COLLEGE AND THE CITIZENS
FIDELITY BANK AND TRUST COMPANY, LOUISVILLE, KENTUCKY, SECURING
SAID $12,670,000 OF BONDS; AND PROVIDING FOR THE ADVERTISEMENT
FOR THE PUBLIC SALE OF SAID $12,670,000 OF BONDS, SERIES A TO K.

(3) the 1965 Trust Indenture, referred to in said latter Resolution; and

(4) the Notice of Sale of Bonds; that said first attached Resolution is the
Resolution authorizing the execution of the revised Loan Agreement with the
HHFA; that said second attached Resolution is the Bond Resolution referred
to in said Minutes; that said attached 1965 Trust Indenture, and said Notice
of Sale of Bonds are the identical items bearing such titles referred to
in said attached Second Resolution; and that the foregoing Minutes of the
Board meeting have been duly recorded in the official records of the
proceedings of said Board.

IN TESTIMONY WHEREOF, witness my signature and the seal of said
Board this 19th day of January, 1966.

[Signature]
Secretary, Board of Regents

(Seal of College)
$12,670,000

MURRAY STATE COLLEGE
(Murray Kentucky)

HOUSING AND DINING SYSTEM REVENUE BONDS
SERIES A THROUGH K
Dated September 1, 1965

Bonds maturing on and prior to September 1, 1975, shall not be subject to redemption prior to maturity, except through application of the proceeds of issuance as provided in the Trust Indenture.

Bonds maturing on and after September 1, 1976, shall be subject to redemption prior to their stated maturities upon notice, either:

(1) in part, in inverse numerical order from Revenues accumulated in the System Sinking Fund properly available for such purpose, on any interest payment date on or after September 1, 1975; or

(2) in whole from any moneys which maybe made available from any source for such purpose, on any interest payment date not earlier than September 1, 1975;

at the principal amount of the Bonds to be redeemed, together with interest to the designated redemption date at the respective applicable interest rates, plus a redemption premium in accordance with the following schedule, which is expressed in terms of a percentage of the principal amount:

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<tr>
<th>IF REDEEMED</th>
<th>REDEMPTION PREMIUM</th>
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<tbody>
<tr>
<td>September 1, 1975, through March 1, 1980</td>
<td>3%</td>
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<td>September 1, 1980, through March 1, 1985</td>
<td>2-1/2%</td>
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<tr>
<td>September 1, 1985, through March 1, 1990</td>
<td>2%</td>
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<tr>
<td>September 1, 1990, through March 1, 1995</td>
<td>1-1/2%</td>
</tr>
<tr>
<td>September 1, 1995, through March 1, 2000</td>
<td>1%</td>
</tr>
</tbody>
</table>

Without premium if on and after September 1, 2000, to final maturity.
Principal and interest are payable at the main office of the Citizens Fidelity Bank and Trust Company, Louisville, Kentucky, the Trustee under the Indenture, or at the option of the respective holders of coupon bonds, at the main office of the Chemical Bank New York Trust Company, New York City, New York.

INTEREST EXEMPT, IN THE OPINION OF BOND COUNSEL, FROM PRESENT FEDERAL INCOME TAXES UNDER EXISTING STATUTES, REGULATIONS AND COURT DECISIONS.

In the opinion of Bond Counsel, interest exempt from present Kentucky Income Taxes and principal exempt from Kentucky Ad Valorem Taxes.

These $12,670,000 Murray State College Housing and Dining System Revenue Bonds are being issued for the purpose of financing or refinancing the costs, not otherwise provided, of buildings and appurtenant facilities for educational purposes on the campus of the College, comprising parts of the Housing and Dining System of the college. Series A through H totaling $6,630,000 are being issued to refund eight (8) outstanding issues of bonds held by the Department of Urban Development (formerly the Housing and Home Finance Agency) and series I through K in the amount of $6,040,000 to provide funds for three Housing and Dining projects presently under construction, designed to accommodate ________ students. The bonds are being issued pursuant to Sections 162.340 to 162.380 of the Kentucky Revised Statutes and pursuant to a Trust Indenture dated ______________ between the Board of Regents of Murray State College and the Citizens Bank and Trust Company of Louisville, Kentucky, as Trustee, pursuant to a Resolution adopted by said Board on __________________. The Bonds, and any additional parity bonds that may be hereafter issued under the terms of the Indenture, are payable and constitute a paramount charge on the revenues of the Housing and Dining System of the College as described in the Indenture. As further security for the Bonds and coupons appertaining thereto, a statutory mortgage lien upon the buildings and appurtenant facilities of said Housing and Dining System is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes.
<table>
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<tr>
<th>MATURITIES</th>
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| SERIALS A TO K BONDS, SHOWING AUTHORIZED AMOUNT, MATURITIES AND MAXIMUM NET INTEREST COST FOR THE RESPECTIVE SERIES. |

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<th>A.</th>
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<th>F.</th>
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<th>H.</th>
<th>I.</th>
<th>J.</th>
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<td>$705,000</td>
<td>$605,000</td>
<td>$635,000</td>
<td>$760,000</td>
<td>$390,000</td>
<td>$1,290,000</td>
<td>$400,000</td>
<td>$1,845,000</td>
<td>$2,250,000</td>
<td>$510,000</td>
<td>$3,280,000</td>
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<tr>
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<tr>
<td>996</td>
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<td>30</td>
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</tr>
</tbody>
</table>

The issuance of these Bonds an all matters incident thereto is subject to approval by Rubin and Trautwein, Louisville, Kentucky.

The United States of America, Department of Housing and Urban Renewal has entered into a loan agreement with the Board of Regents of Murray State College, pursuant to which the Government has agree that on or after February 1, 1966, it will surrender to the Board for cancellation all of the outstanding bonds of Murray State College totaling $6,630,000, presently held by the Government and that upon the occasion of the public offering herein made, the Government will submit a proposal to purchase from the Board all of the maturities of Series A through K for
which no other bid complying with the terms of the Notice of Sale is received at an interest cost equal to or better than the maximum net interest costs for the respective series shown on the above table.
OFFICIAL STATEMENT

of

THE BOARD OF REGENTS OF MURRAY STATE COLLEGE

relating to

HOUSING AND DINING SYSTEM REVENUE BONDS

SERIES A THROUGH K

Murray, Kentucky

_______, 1966

With reference to $12,670,000 Murray State College Housing and Dining System Revenue Bonds, Series A through K, as described on the cover pages, which is considered a part hereof, this Official Statement is being distributed by the Board of Regents of Murray State College to furnish pertinent information to all who may become purchasers of such bonds.

MURRAY STATE COLLEGE

Murray State College, the borrower or obligor on the Housing and Dining Bonds, is located in the City of Murray, in Calloway County, Kentucky. The College was established in 1922 by the General Assembly of the Commonwealth of Kentucky as a two-year normal school. In 1926, it became a four-year college, and the name was changed to Murray State Teachers College and Normal School. In 1928, the name was changed to Murray State Teachers College. In 1948, the name was changed to Murray State College. All the above changes were made by the Kentucky General Assembly. The location has not been changed since establishment.

Murray State College is a multi-purpose college with primary emphasis on teacher education. It includes pre-professional programs in medicine, dentistry, law, theology, engineering, forestry and others. The following degrees are awarded: A.B., B.S., B.S. in Agriculture, B.S. in Home Economics, B.S. in Music Education, B.S. in Music, B.S. in Medical Technology, B.S. in Nursing. The College also has graduate programs leading to the Master's degree.
The College is accredited by the Southern Association of Colleges and Schools. It maintains membership in the National Council for Accreditation of Teacher Education, the National Association of Schools of Music, American Council on Education, National Association for Business Teacher Education, and others.

Murray State College is a co-educational, state-supported public institution.

The total enrollment for Fall 1965 was 5,728, which consisted of 2287 freshmen, 1235 sophomores, 949 juniors, 926 seniors, 303 graduates, and 29 other students.

PAST ENROLLMENT: Full-time Fall Enrollment

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Single Males</th>
<th>Single Females</th>
<th>Married</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958-59</td>
<td>2,185</td>
<td>1,136</td>
<td>646</td>
<td>403</td>
</tr>
<tr>
<td>1959-60</td>
<td>2,440</td>
<td>1,342</td>
<td>743</td>
<td>*</td>
</tr>
<tr>
<td>1960-61</td>
<td>2,677</td>
<td>1,478</td>
<td>841</td>
<td>358</td>
</tr>
<tr>
<td>1961-62</td>
<td>3,147</td>
<td>1,550</td>
<td>922</td>
<td>675</td>
</tr>
<tr>
<td>1962-63</td>
<td>3,392</td>
<td>1,671</td>
<td>994</td>
<td>727</td>
</tr>
<tr>
<td>1963-64</td>
<td>3,709</td>
<td>2,144</td>
<td>1,060</td>
<td>505</td>
</tr>
<tr>
<td>1964-65</td>
<td>4,619</td>
<td>2,685</td>
<td>1,346</td>
<td>588</td>
</tr>
<tr>
<td>1965-66</td>
<td>5,443</td>
<td>3,223</td>
<td>1,711</td>
<td>509</td>
</tr>
</tbody>
</table>

As indicated above, the College has experienced rapid growth in enrollment particularly in the last few years. Using regional and national surveys of future college age population and historic enrollment data as basis, the College estimates its future enrollment to be as shown in the following table. Consideration has been given to the needs for additional classrooms and dormitory and dining facilities. The physical plant of the College is being expanded rapidly and such expansion will continue during the next several years. There are twenty-seven (27) major educational buildings on campus at present, five (5) are under construction and four (4) to be started in the immediate future. The College estimates its future enrollment as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Single Males</th>
<th>Single Females</th>
<th>Married</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970-71</td>
<td>9,390</td>
<td>5,164</td>
<td>2,817</td>
<td>1,409</td>
</tr>
<tr>
<td>1975-76</td>
<td>13,046</td>
<td>7,175</td>
<td>3,914</td>
<td>1,957</td>
</tr>
</tbody>
</table>

Total enrollment for 1965-66 increased at the rate of 18%. For 1955-1965, the average increase was 12% per year. For 1966-1975, the average increase is estimated at 8.6% per year.
REFUNDING OF OUTSTANDING BONDS

For years Murray State College has financed its Housing and Dining Facilities with a number of bond issues, each of which is secured only by the revenues of the specific project which it finances. Some of these issues are owned by private investors, some by the Government, and some in part by private investors and in part by the Government.

Under the terms of the trust indentures all of the various Dormitory Revenue and Housing Revenue Bonds owned by private investors will be refunded and they are as follows:

<table>
<thead>
<tr>
<th>Name of Issue</th>
<th>Date of Issue</th>
<th>Dormitory Financed</th>
<th>Coupon</th>
<th>Outstanding in Hands of Public February 1, 1966</th>
<th>Date of Final Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing and Dining Hall Revenue Bonds of 1961</td>
<td>Sept. 1, 1961</td>
<td>Franklin Hall</td>
<td>3 1/4%</td>
<td>$136,000</td>
<td>1971</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Winslow Cafeteria</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apartment Housing Revenue Bonds of 1962</td>
<td>Sept. 1, 1962</td>
<td>College Grant #II</td>
<td>3 3/8%</td>
<td>$56,000</td>
<td>1972</td>
</tr>
<tr>
<td>Dormitory Revenue Bonds of 1963</td>
<td>Dept. 1, 1963</td>
<td>Elizabeth and Springer Halls</td>
<td>3.35%</td>
<td>$255,000</td>
<td>1973</td>
</tr>
</tbody>
</table>

A portion of the above issues are held by the Government and are not shown in total outstanding. The above-described bond issues will remain outstanding until regular maturity; however, funds to accomplish their complete retirement, both as to principal and interest, will be placed in escrow and invested in Certificates of Deposit, collateralized by U. S. Government Bonds.

The Government presently holds bonds of eight issues, three of which are owned in part by private investors as shown above. The Department of Housing and Urban Development policy presently dictates that the bonds held by them be reoffered to the public. The Department, however, agreed to submit a bid for these bonds (comprising the herein offered Series A through H) at the same respective interest rates.

Accordingly, under the terms of the Trust Indenture, the Board will accomplish the following:
1. Provide for full payment of interest and principal to maturity on the amount of bonds ($447,000) of the Housing and Dining Revenue Bonds of 1961, the Apartment Housing Revenue Bonds of 1962 and the Dormitory Revenue Bonds of 1963 presently held by private investors. Funds to be placed in escrow for the above purpose will come from the Revenue Funds, the Sinking Funds, or the Repair and Maintenance Funds of the bonds to be refunded and/or from the Board's other sources of Funds if necessary.

2. Offer at public sale Series A to K inclusive, totaling $12,670,000, Housing and Dining System Revenue Bonds to provide for the refunding of eight housing and dining issues of the College presently outstanding, the bonds being held by the Government, and to provide funds for construction of additional housing and dining facilities.

3. At the closing date upon the fulfillment of (1) and (2) above, the Trustees of the presently outstanding housing and dining issues shall release the Board of any contractual obligations to the owners and holders of the outstanding bonds, thereby making available the Revenues of the Housing and Dining System as security and source of payment for bonds being issued under the Indenture.

This refunding permits the College to pledge all housing and dining revenues under one consolidated system, providing substantial debt service coverage for additional parity bonds under terms of the Trust Indenture which would not otherwise have been available for such pledge.

**DISPOSITION OF BOND PROCEEDS**

The proceeds of Series A to H inclusive will be used for refunding purposes in accordance with the Trust Indenture and as previously explained. Proceeds of Series L will be issued to defray the cost of construction of a dormitory, "Hart Hall" to include a snack bar, bookstore, post office, recreation room and necessary appurtenant facilities, to house approximately 552 men students; Series J to construct College Court III, a married student housing project, containing 48 one-bedroom units; and Series K to construct dormitories "Hester Hall." housing 300 women and "Bob White Hall" housing 400 men.

Actual construction costs and related expenses for the projects are as follows:
THE HOUSING AND DINING SYSTEM

The Housing and Dining facilities of the College may be summarized as follows:

HOUSING

<table>
<thead>
<tr>
<th>Facility</th>
<th>Year Occupied</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woods Hall</td>
<td>1967</td>
<td>418</td>
<td></td>
<td>418</td>
</tr>
<tr>
<td>Waterfield Student Union Bldg.</td>
<td>1965</td>
<td>45</td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>Richmond Hall</td>
<td>1962</td>
<td>284</td>
<td></td>
<td>284</td>
</tr>
<tr>
<td>Clark Hall</td>
<td>1961</td>
<td>78</td>
<td></td>
<td>78</td>
</tr>
<tr>
<td>College Court I</td>
<td>1961</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Franklin Hall and Winslow</td>
<td>1961</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>College Court II</td>
<td>1963</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elizabeth and Spinger Hall</td>
<td>1964</td>
<td>316</td>
<td></td>
<td>316</td>
</tr>
<tr>
<td>Hart Hall</td>
<td>1966</td>
<td>592</td>
<td></td>
<td>592</td>
</tr>
<tr>
<td>College Court III</td>
<td>1966</td>
<td>48</td>
<td></td>
<td>48</td>
</tr>
<tr>
<td>Hester Hall</td>
<td>1967</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bob White Hall</td>
<td>1966</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DINING:

(Brief explanation of the feeding system)

AUTHORITY FOR ISSUE AND SECURITY

These Series, A to H inclusive, being issued to refund outstanding housing and dining bonds, and Series I to K inclusive, being issued to provide funds for construction of additional housing and dining facilities are to constitute, together with any parity bonds as provided for in the Indenture, the Murray State College Housing and Dining System as such System has been established pursuant to the terms of a Trust Indenture between the Board of Regents of Murray State College and the Citizens Bank and Trust Company of Louisville, Kentucky, Trustee, Dated as of _______________1966 as authorized by a Resolution of the Board in accordance with the provisions of 162.340 to 162.380 of the Kentucky Revised Statutes.
CERTAIN PROVISIONS OF THE TRUST INDENTURE

1. Under the terms of the Indenture there is created a special fund to be known as the Murray State College Housing and Dining System Revenue Bonds Revenue Account (the System Revenue Fund Account) to be held in the custody of the Treasurer of the Board, separate and apart from all other funds of the Board. On the closing date there shall be deposited into the System Revenue Fund Account all moneys then held in the Previous Revenue Fund Accounts of the Bonds to be refunded to the extent that the same are surplus to providing for interest and principal to maturity of all the then outstanding privately-held housing and dining bonds.

2. Under the terms of the Indenture there is also established a separate account to be designated Murray State College Housing and Dining System Revenue Bond and Interest Sinking Fund Account. So long as any of the Bonds are outstanding the Sinking Fund shall be maintained and deposited with the Trustee and to pay principal and interest as they become due and to accumulate a Reserve therefor. Upon the closing date there shall be deposited in the Sinking Fund all sums received as accrued interest from the purchases of the Bonds, any balances which may be recovered from the Previous Sinking Funds of the bonds to be refunded, plus an additional sum to provide a reserve equal to the maximum debt service which will become due for all the then outstanding bonds of Series A to K inclusive. There also shall be deposited in the Sinking Fund a sufficient sum to equal all interest maturing on Series I, J, and K until the respective Series I, J, and K projects become revenue producing.

Commencing with the February 1, or August 1, next following the closing date, the Board shall transfer from the System Revenue Fund, as the first charge thereon, and deposit to the credit of the System Sinking Fund on or before each succeeding February 1 and August 1, an amount which, together with such sums as may then be available in said system Sinking Fund shall be equal to the next succeeding interest payment to become due on the outstanding Bonds in an amount equal to one-half the principal payment to become due in the next succeeding twelve months (except that the full amount of the principal payment due September 1, 1966).
If any additional Series of parity bonds are hereafter issued, a sum in addition to the required principal and interest payments equal to 25% of the average debt service requirement of the parity issue shall be paid annually until the Debt Service Reserve equals the maximum debt service reserve to become due on all outstanding bonds in any succeeding year.

All monies held in the System Sinking Fund shall be held, secured, and invested by the Trustee as provided in this Indenture. The System Sinking Fund is pledged irrevocably for the purpose of paying the interest and principal of the Bonds secured by the Indenture and for retiring Bonds at or before maturity.

3. There is created under the terms of the Indenture an account to be designated Murray State College Housing and Dining Repair and Maintenance Reserve (the System Repair and Maintenance Reserve). On the closing date the Board shall cause to be deposited in the System Repair and Maintenance Reserve a sum equal to the aggregate amount of all amounts then on deposit in the Previous Repair and Maintenance Reserves. After first observing the priority of payments from the System Sinking Fund and the System Sinking Fund Reserve, the Board covenants and agrees to transfer annually from the System Reserve Fund the sum of $25,000, or so much thereof as may be available for transfer until the funds therein aggregate $450,000. In the event parity bonds are issued the annual transfer shall be increased by 1/4 of 1% of the original principal amount of such parity bonds issued until the additional reserve equals 5% of such original principal amount of parity bonds.

Balance held in the System Repair and Maintenance Reserve may be used for unusual or extraordinary costs of maintenance, repairs, replacement or operation of the System to the extent that they represent unanticipated deficiencies not previously budgeted. No withdrawal may be made from such Reserve to the extent that the aggregate balance is reduced below $450,000 except by resolution of the Board determining that an emergency exists requiring such expenditure to preserve the tenantability and revenue-producing capacity of the System.

4. Moneys held in the System Repair and Maintenance Reserve and any amount held in the System Sinking Fund in excess of principal and interest requirements for the ensuing twelve months period shall be invested in direct or fully guaranteed obligations of the United States Government, maturing in not more than ten years.
Moneys held in the System Sinking Fund for current principal and interest requirements (as distinguished from deposits for the System Debt Service Reserve) may be invested in direct or fully guaranteed obligation of the United States Government, maturing or subject to redemption at the option of the holder not later than the time such funds must be disbursed.

5. Current Expenses of the System shall be payable from the System Revenue Fund but only from such amounts as may remain therein after compliance with payments to the System Sinking Fund and the System Repair and Maintenance Reserve. The Board covenants to charge such rentals as are necessary to produce funds sufficient to make the required payments to the System Sinking Fund and System Repair and Maintenance Reserve. If, after making the above payments, the remaining funds in the System Revenue Fund are insufficient to provide full payment of the operating and maintenance expenses of the System, the Board will: (a) impose such additional rentals as the Board may at its discretion determine to be economically feasible and consistent with the educational duties of the Board, or (b) the Board will make up such deficiency from other resources in such manner as to constitute a binding contractual commitment of said Board and of the Commonwealth of Kentucky over the entire life of these Bonds. A resolution of the State Property and Buildings Commission, taking cognizance of this commitment on the part of the Commonwealth and authorizing the issuance of these Bonds, Series A to K inclusive, was passed and adopted on 1966.

After making the required disbursements above, any moneys remaining at the close of each Fiscal Year in the System Revenue Fund may be used: (1) to redeem or repay principal on outstanding Bonds, (2) to improve or restore any existing housing or dining facilities or to provide additional facilities, or (3) for any other lawful purpose.

ADDITIONAL BONDS

Additional bonds ranking on a parity with these Bonds may be issued for the purpose of financing educational buildings to be made a part of the Housing and Dining System providing:
1. The Board is in full compliance with all covenants and undertakings in connections with its then outstanding Housing and Dining System Bonds.

2. There has been filed with the Trustee a certificate that an inspection of existing housing and dining buildings has been made and are represented to be in a good and current state of repair.

3. The average of the audited annual Revenues of said System for the two Fiscal Years immediately preceding the issuance of said additional parity bonds and: (a) an estimate of revenues to be derived from buildings to be constructed from the proceeds of such parity bonds and (b) and estimate of annual revenues to be derived from any buildings currently under construction and, (c) an adjustment to reflect annual rentals of buildings which have been in operation for less than one year, shall aggregate an amount equal to not less than 1.30 times the maximum amount which will be required in any future Fiscal Year for debt service on the bond outstanding and parity bonds to be issued. The estimates of annual revenues as used above are subject to certain restrictions as further set out in the Indenture. The Board may pledge as an additional source of payment for such parity bonds the revenues of any buildings added to the system otherwise than through the issuance of bonds or any increased or additional student fees.

OTHER COVENANTS OF THE BOARD OF REGENTS

The Board of Regents covenants, among other things, the following:

1. That it will at all times maintain, preserve and keep the System in good condition, repair and working order, and will make all needful repairs, replacements, additions, betterments and improvements so that the operations and business of the System and every part thereof shall at all times be conducted properly and advantageously.

2. That it will procure and maintain so long as any of the Bonds are outstanding, fire and extended coverage insurance on the System in amounts sufficient to provide full recovery when the loss does not exceed 80% of the full insurable value of the property, and also a minimum amount of $50,000 of boiler explosion insurance.
3. That it will procure public liability insurance (including vehicular liability insurance) with limits of not less than $100,000 for one person, and $300,000 for more than one person involved in one accident, providing provision is not otherwise made by law for disposition of such claims of such character as would be covered thereby.

4. That the Board will not undertake to erect or finance additional educational buildings for educational purposes except in the case of buildings which may be leased to fraternities or sororities, otherwise than as constituting a part of the Housing and Dining System.

5. That it will keep accurate financial records and proper books relating to the System, and such records and books shall be open to inspection by the Bondholders and their agents and representatives, and that not later than 120 days after the close of each Fiscal Year it will furnish to any Bondholder who shall request same in writing, an audit report prepared by an independent public accountant or by the state auditing official.

6. That it will establish such parietal rules, rental rates and charges as may be necessary to (1) assure maximum occupancy and use of the facilities of the System, and (2) provide together with any other funds herein pledged to payment of the Bonds (a) the debt service on the Bonds, (b) the required reserve therefor, (c) the System Repairs and Maintenance Reserve for which provision is herein made, and (d) the operating and maintenance expenses of said facilities not provided from other resources.