

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, September 17, 1957.

The Board of Trustees of the University of Kentucky met in the President's Office at 9:10 CST, Tuesday, September 17, 1957. with the following members present: Governor A. B. Chandler, Chairman; R. P. Hobson, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Carl Dempewolfe, Ben Butler, J. Stephen Watkins, W. F. Foster, Dr. Daniel C. Elkin, Robert R. Martin, Louis Cox, Robert C. Stilz, Dr. Harry Denham, Harper Gatton and Wood Hannah, Sr. President Frank G. Dickey and Secretary Frank D. Peterson were also present.

A. Approval of Minutes.

Upon motion duly made, seconded and carried, the minutes of the Board of Trustees of June 11; and the minutes of the Executive Committee of July 19, 1957, were approved as published.

B. Financial Report.

Mr. Peterson made financial report for the two months period ended August 31, 1957. He read the following letter and submitted a balance sheet and other statements concerning income and expenditures.

UNIVERSITY OF KENTUCKY
 LEXINGTON

September 16, 1957

Dr. Frank G. Dickey, President
 University of Kentucky
 Lexington, Kentucky

Dear Doctor Dickey:

I am submitting herewith the Financial Report of the University covering fund transactions for the two-month period ended August 31, 1957, consisting of a balance sheet and relating financial statements.

The income received during this period for general fund purposes amounted to \$3,508,627.13, or 30.1% of the budget estimate of \$11,641,148.84. The income realized came primarily from state appropriations and federal grant sources totaling \$3,163,190.17.

Current fund expenditures and encumbrances outstanding for the period totaled \$1,949,951.44, which is 16.7% of the departmental appropriations amounting to \$11,655,505.53.

The appraisal value of the University Plant and the net investment therein as of August 31, 1957, is indicated by the following statement:

<u>Fixed Asset</u>	
Land	\$ 1,681,924.43
Buildings	33,516,099.00
Equipment	10,502,495.03
Construction in Progress	<u>4,337,000.00¹</u>
Total Fixed Asset	<u>\$50,037,518.46</u>
Less--	
Revenue Bonds Outstanding	\$ 8,301,000.00
Receivable from Commonwealth of Kentucky	3,287,000.00
Note Payable (South Farm)	200,000.00
	<u>\$11,788,000.00</u>
Net Investment in Plant	<u>\$38,249,518.46</u>

1. Holmes Hall \$1,131,000; Shawneetown Apartments \$2,156,000; Phi Delta Theta Bldg. \$150,000; Six Sorority Bldgs. \$900,000.

The advance from the Commonwealth of Kentucky is temporary and repayment will be made as soon as the bonds are sold for the construction of Shawneetown, \$2,156,000, and Holmes Hall, \$1,131,000.

The schedule below shows bonds outstanding on the 30th of June, 1957, with interest and principal payments due during the fiscal year 1957-58.

<u>Bond Issue</u>	<u>Bonds Outstanding</u>	<u>Principal</u>	<u>Interest</u>
1st PWA Refunding Issue	\$ 176,000	\$ 34,000	\$ 3,080.00
2nd PWA Refunding Issue	161,000	14,000	4,725.00
Dormitory Revenue Issue	315,000	14,000	6,205.00
Auditorium-Field House Issue	540,000	45,000	14,231.25
Library Service Bldg. Issue	313,000	27,000	9,700.00
Stadium Addition Rev. Issue	180,000	15,000	5,587.50
Dormitory Rev. Issue (456 Rose)	60,000	2,500	1,684.37
Journalism Building Issue	148,000	11,000	3,918.75
Dormitory Rev. Issue (476 Rose)	64,000	2,000	1,872.50
Dormitory Rev. Bonds -1953	664,000	16,000	22,642.50
Dormitory Rev. Bonds -1952	1,195,000	20,000	35,969.50
Dormitory Rev. Bonds -1954	712,000	11,000	21,052.50
Dormitory Rev. Bonds -1955	2,775,000	38,000	92,832.50
Dormitory Rev. Bonds -1956	900,000	10,000	41,820.00
Dorm. Rev. Bonds -1956 (336 Clifton)	150,000	2,000	6,430.00
Totals	<u>\$8,353,000</u>	<u>\$261,500</u>	<u>\$271,751.37</u>

The value of inventories as of June 30, 1957, was \$334,517.61. This amount was made up from the inventories as listed below:

<u>Inventory</u>	<u>Division of Colleges</u>
Campus Bookstore	\$ 34,924.93
Caps and Gowns	4,664.65
General Stores	130,500.00
Work in Progress	<u>164,428.03</u>
Total Inventory	<u>\$334,517.61</u>

Respectfully submitted,

Frank D. Peterson
Vice President
Business Administration

University of Kentucky
BALANCE SHEET
August 31, 1957

ASSETS

	Division of Colleges	Agricultural Experiment Station	Agricultural Extension Division	Total
<u>Current Funds</u>				
<u>General:</u>				
Cash in Bank	\$ 31,703.76	\$ 103,516.79	\$ 683,273.11	\$ 818,493.66
Petty Cash Fund	40,000.00	10,000.00		50,000.00
State Allotments:				
Current Year	805,119.63	69,172.90	113,888.31	988,180.84
Prior Year	5,040.00	14,954.10		19,994.10
Revolving Funds	694,976.20	596,068.53		1,291,044.73
Inventories	334,517.61			334,517.61
Deferred Charges	52,666.20			52,666.20
Due from Other Govt. Units	239.02			239.02
Unrealized Income	5,056,103.33	1,593,810.52	1,482,607.86	8,132,521.71
Total General	\$ 7,020,365.75	\$ 2,387,522.84	\$ 2,279,769.28	\$ 11,687,657.87
<u>Restricted:</u>				
Cash in Bank	\$ 152,014.03	\$ 157,136.03	\$ 138,719.34	\$ 447,869.40
Petty Cash Advances	5,863.76	3,600.00	2,250.00	11,713.76
Due from other funds	67,940.49			67,940.49
Investments	1,759,898.44	15,027.00		1,774,925.44
Total Restricted	\$ 1,985,716.72	\$ 175,763.03	\$ 140,969.34	\$ 2,302,449.09
Total Current	\$ 9,006,082.47	\$ 2,563,285.87	\$ 2,420,738.62	\$ 13,990,106.96
<u>Plant Funds:</u>				
<u>Unexpended:</u>				
Cash in Bank	\$ 80,130.00	\$	\$	\$ 80,130.00
Cash on Deposit-Trustees	3,012.88			3,012.88
State Allotments	269,109.27			269,109.27
Revolving Funds	2,369,422.16	156,056.03		2,525,478.19
Investments	68,113.13			68,113.13
Due from Other Funds	210,392.00			210,392.00
Unrealized Income	317,652.00			317,652.00
Total Unexpended	\$ 3,317,831.44	\$ 156,056.03	\$	\$ 3,473,887.47
<u>Investment in Plant:</u>				
Construction Author.	\$ 4,337,000.00	\$	\$	\$ 4,337,000.00
Fixed Assets	41,132,129.11	4,459,528.38	108,860.97	45,700,518.46
Total Invested	\$45,469,129.11	\$4,459,528.38	\$ 108,860.97	\$50,037,518.46
Total Plant	\$48,786,960.55	\$4,615,584.41	\$ 108,860.97	\$53,511,405.93
	<u>Loan</u>	<u>Endowment</u>	<u>Agency</u>	
<u>Other Funds</u>				
Cash in Bank	\$ 9,801.91	\$ 7,603.35	\$ 83,534.46	\$ 100,939.72
Notes Receivable	46,235.16			46,235.16
Investments	55,500.00	204,674.90	16,381.74	276,556.64
Total Other Funds	\$ 111,537.07	\$ 212,278.25	\$ 99,916.20	\$ 423,731.52
Total Assets				<u>\$67,925,244.41</u>

University of Kentucky
BALANCE SHEET
August 31, 1957

LIABILITIES

	Division of College	Agricultural Experiment Station	Agricultural Extension Division	Total
<u>Current Funds</u>				
<u>General:</u>				
Petty Cash Liability	\$ 40,000.00	\$ 10,000.00	\$	\$ 50,000.00
Res. for Encumbrances:				
Current Year	335,749.38	68,568.58	3,094.72	407,412.68
Prior Year	344,417.47	142,617.76	53,769.09	540,804.32
Res. for Inventories	334,517.61			334,517.61
Res. for Fire Losses	26,163.24			26,163.24
Other Liabilities	52,666.20			52,666.20
Due to Other Funds	210,392.00			210,392.00
Unappropriated Surplus	67,608.01	292,539.72		360,147.73
Appropriation Balance	5,608,851.84	1,873,796.78	2,222,905.47	9,705,554.09
Total General	\$ 7,020,365.75	\$ 2,387,522.84	\$ 2,279,769.28	\$ 11,687,657.87
<u>Restricted:</u>				
Outstanding Checks	\$ 6,415.94	\$	\$	\$ 6,415.94
Fund Balances	1,979,300.78	175,763.03	140,969.34	2,296,033.15
Total Restricted	\$ 1,985,716.72	\$ 175,763.03	\$ 140,969.34	\$ 2,302,449.09
Total Current	\$ 9,006,082.47	\$ 2,563,285.87	\$ 2,420,738.62	\$ 13,990,106.96
<u>Plant Funds:</u>				
<u>Unexpended:</u>				
Res. for Encumbrances:				
Current Year	\$ 6,352.85	\$ 22,985.00	\$	\$ 29,337.85
Prior Year	2,177,474.67	46,002.95		2,223,477.62
Due to Other Funds	67,940.49			67,940.49
Appropriation Balance	1,066,063.43	87,068.08	\$	\$ 1,153,131.51
Total Unexpended	\$ 3,317,831.44	\$ 156,056.03	\$	\$ 3,473,887.47
<u>Investment in Plant:</u>				
Bonds Payable	\$ 8,301,000.00	\$	\$	\$ 8,301,000.00
Other Liabilities	3,287,000.00	200,000.00		3,487,000.00
Net Invested in Plant	33,881,129.11	4,259,528.38	108,860.97	38,249,518.46
Total Invested	\$45,469,129.11	\$4,459,528.38	\$ 108,860.97	\$50,037,518.46
Total Plant	\$48,786,960.55	\$4,615,584.41	\$ 108,860.97	\$53,511,405.93
<u>Other Funds</u>				
Principal Balances	\$ 73,399.81	\$ 207,724.05	\$	\$ 281,123.86
Expendable Balances	38,137.26	4,554.20	99,916.20	142,607.66
Total Other Funds	\$ 111,537.07	\$ 212,278.25	\$ 99,916.20	\$ 423,731.52
Total Liabilities				\$67,925,244.41

University of Kentucky
STATEMENT OF UNREALIZED INCOME
For the Current Fiscal Period which Began
July 1, 1957 and ended August 31, 1957

General Fund

	Budget Estimate	Realized to Date	Unrealized Balance
<u>Division of Colleges</u>			
<u>Educational and General:</u>			
State Appropriations	\$5,042,000.00	\$1,581,000.00	\$3,461,000.00
Fed. Grants (through the State)	139,530.10	84,965.60	54,564.50
Student Fees	1,118,200.00	116,636.95	1,001,563.05
Endowment Income	10,244.50	8,700.00	1,544.50
Sales and Services and Rentals	20,000.00	1,820.75	18,179.25
Returned Checks		670.04*	670.04
Subtotal	\$6,329,974.60	\$1,792,453.26	\$4,537,521.34
Auxiliary Enterprises	554,434.00	<u>28.3%</u> 35,852.01	518,581.99
Total-Colleges	\$6,884,408.60	<u>6.5%</u> \$1,828,305.27	\$5,056,103.33
		<u>26.6%</u>	
<u>Agricultural Experiment Station</u>			
<u>Educational and General:</u>			
State Appropriations	\$ 708,000.00	\$ 210,000.00	\$ 498,000.00
Federal Grants (direct)	805,447.81	176,540.00	628,907.81
Sales and Services	650,000.00	183,097.29	466,902.71
Total-Experiment Station	\$2,163,447.81	\$ 569,637.29	\$1,593,810.52
		<u>26.3%</u>	
<u>Agricultural Extension Division</u>			
<u>Educational and General:</u>			
State Appropriations	\$ 828,000.00	\$ 250,000.00	\$ 578,000.00
Federal Grants (direct)	1,765,292.43	860,684.57	904,607.86
Total-Agr. Extension	\$2,593,292.43	\$1,110,684.57	\$1,482,607.86
Total-General	\$11,641,148.84	<u>42.8%</u> \$3,508,627.13	\$8,132,521.71
		<u>30.1%</u>	
<u>Plant Fund:</u>			
Debt Service Income	\$ 403,997.00	\$ 86,345.00	\$ 317,652.00
		<u>21.4%</u>	

*Negative Figure.

University of Kentucky
STATEMENT OF DEPARTMENTAL APPROPRIATIONS
For the Current Fiscal Period which began
July 1, 1957, and ended August 31, 1957

Division of Colleges	Dept. Approp.	Expendi- tures	Encum- brances	Free Balance
<u>Admin. & General:</u>				
Gen. Admin. Offices	\$ 184,659.32	\$ 34,414.59	\$ 1,510.66	\$ 148,734.07
Student Services	253,495.04	38,926.94	5,128.73	209,439.37
Staff Welfare	88,000.00	11,763.02		76,236.98
Gen. Institu. Serv.	128,234.62	10,656.25	17,803.22	99,775.15
Subtotal	\$ 654,388.98	\$ 95,760.80	\$ 24,442.61	\$ 534,185.57
		18.4%		
<u>Instruction & Research</u>				
College of --				
Agr. & Home Econ.	\$ 361,219.81	\$ 52,764.68	\$ 5,968.78	\$ 302,486.35
Arts & Sciences	1,927,066.41	252,510.49	20,390.90	1,654,165.02
Commerce	264,603.00	38,477.90	8,216.33	217,908.77
Education	461,018.02	64,598.98	2,015.84	394,403.20
Engineering	510,966.99	72,230.69	4,190.98	434,545.32
Law	99,631.34	13,229.08	60.00	86,342.26
Medicine	141,000.00	17,026.37	2,913.26	121,060.37
Pharmacy	89,250.00	3,900.42	2,820.60	82,528.98
Graduate School	18,325.00	2,401.77	257.00	15,666.23
Org. Act. Rel. Educ.	36,968.00	4,124.85	2,957.75	29,885.40
Research	20,000.00	1,263.00	984.81	17,752.19
Libraries	337,563.73	54,436.20	5,066.84	278,060.69
Adult & Exten. Educ.	270,437.50	32,526.12	3,476.16	234,435.22
Subtotal	\$ 4,538,049.80	\$ 609,490.55	\$ 59,319.25	\$ 3,869,240.00
		14.7%		
<u>Other Expenses</u>				
Oper. and Maint. Plant	\$ 1,098,877.00	\$ 93,797.56	\$161,122.48	\$ 843,956.96
Auxiliary Enterprises	399,681.00	23,150.60	35,811.72	340,718.68
Working Capital	75,000.00	19,973.69	53,305.46	1,720.85
Clearing Accounts	26,163.24	5,385.60	1,747.86	19,029.78
Subtotal	\$ 1,599,721.24	\$ 142,307.45	\$251,987.52	\$ 1,205,426.27
		24.6%		
Total Division of Col.	\$ 6,792,160.02	\$ 847,558.80	\$335,749.38	\$ 5,608,851.84
		17.4%		
Agr. Exper. Station	2,228,656.71	286,291.35	68,568.58	1,873,796.78
		15.9%		
Agr. Exten. Div.	2,634,688.80	408,688.61	3,094.72	2,222,905.47
		15.6%		
Combined Total	\$11,655,505.53	\$1,542,538.76	\$407,412.68	\$ 9,705,554.09
		16.7%		

e

University of Kentucky
STATEMENT OF PLANT FUND APPROPRIATIONS
For the Current Fiscal Period which Began
July 1, 1957 and ended August 31, 1957

Division of Colleges	Dept. Approp.	Expendi- tures	Encum- brances	Free Balance
<u>Retirement of Indebtedness:</u>				
1st P. W. A. Bond Is.	\$ 37,140.00	\$	\$	\$ 37,140.00
2nd P. W. A. Bond Is.	18,848.38	9,415.00		9,433.38
Dorm. Rev. Bond Issue	24,215.25			24,215.25
Audit-Field H. Issue	64,231.03	52,425.00		11,806.03
Lib. & Serv. Bldg. Issue	75,277.01			75,277.01
Stad. Add. Issue	20,678.21			20,678.21
Dorm. Rev. Issue, 456 Rose	6,254.52			6,254.52
Journ. Bldg. Bond Issue	27,473.50			27,473.50
Dorm. Rev. Issue, 476 Rose	5,071.93			5,071.93
Stud. Dorms. U. K.	19,144.32			19,144.32
Stud. Dorm. -Kappa Sigma	10,503.59			10,503.59
Stud. Dorm. -Lambda Chi	10,692.08			10,692.08
Stud. Dorm-Phi Sigma K.	9,938.58			9,938.58
Stud. Dorm. -Pi Kappa A.	11,064.11			11,064.11
Dorm. Rev. Bond 1952	78,224.50			78,224.50
Dorm. Rev. Bond 1954	40,117.00			40,117.00
Dorm. Rev. Bond 1955 Cooperstown Apts.	156,613.50	165.00		156,448.50
Dorm. Rev. Bond 1956 Six Sorority Dorms	58,186.00			58,186.00
Dorm. Rev. Bond 1956 336 Clifton Ave.	8,448.00			8,448.00
Total-Retirement of Indebtedness	\$682,121.51	\$ 62,005.00	\$	\$620,116.51
		9.1%		
<u>Cash on Deposit with Trustee:</u>				
Dorm. Rev. Bonds 1952 Reserve	\$ 43,372.97	\$	\$	\$ 43,372.97
Dorm. Rev. Bonds 1952 Reserve-Invested	41,435.63*			41,435.63*
Dorm. Rev. Bonds 1954 Reserve	27,753.04			27,753.04
Dorm. Rev. Bonds 1954 Reserve-Invested	26,677.50*			26,677.50*
Total-Cash on De- posit with Trustee	\$ 3,012.88	\$	\$	\$ 3,012.88

*Negative Figure

University of Kentucky
STATEMENT OF PLANT FUND APPROPRIATIONS
For the Current Fiscal Period which Began
July 1, 1957, and ended August 31, 1957

<u>Division of Colleges</u>	<u>Departmental Appropriation</u>	<u>Expendi- tures</u>	<u>Encum- brances</u>	<u>Free Balance</u>
<u>Division of Colleges</u>				
<u>Construction:</u>				
Holmes Hall-Univ.				
Appropriation	\$ 2,031.49	\$	\$	\$ 2,031.49
Phi Delta Theta Frat.	7,076.97			7,076.97
Shawneetown Apts.	110,724.06			110,724.06
Six Sorority Dorms.	36,739.66			36,739.66
Holmes Hall-Bond Pro- ceeds	130,116.45	390.09		129,726.36
Donovan Hall Equipment	3,881.11			3,881.11
College of Pharmacy Bldg.	15,097.61	342.65		14,754.96
Swine Barn	11,163.37			11,163.37
Medical School	65,280.77	7,264.50		58,016.27
Medical School Federal Grant	75,000.00			75,000.00
Medical School Library Acqu. and Supplies			6,352.85	6,352.85*
Total-Construction	\$ 457,111.49	\$ 7,997.24	\$ 6,352.85	\$ 442,761.40
			3.1%	
Total-Plant Funds- Division of Col- leges	\$1,142,245.88	\$ 70,002.24	\$ 6,352.85	\$1,065,890.79
			6.7%	
Agr. Exper. Sta. Constr.	110,573.23	\$ 520.15	\$ 22,985.00	\$ 87,068.08
			21.3%	
Combined Totals	\$1,252,819.11	\$ 70,522.39	\$ 29,337.85	\$1,152,958.87
			8.0%	

*Negative Figure

University of Kentucky
 STATEMENT OF OTHER FUND TRANSACTIONS
 For the Current Fiscal Period which began
 July 1, 1957 and ended August 31, 1957

	Balance July 1, 1957	Receipts	Disburse- ments	Balance August 31, 1957
<u>Restricted Funds:</u>				
Division of Colleges	\$1,955,799.81	\$518,815.08	\$495,314.11	\$1,979,300.78
Agr. Exp. Station	172,744.90	43,315.26	40,297.13	175,763.03
Agr. Exten. Div.	156,735.28	31,744.32	47,510.26	140,969.34
Subtotal	\$2,285,279.99	\$ 593,874.66	\$583,121.50	\$2,296,033.15
<u>Loan Fund:</u>				
Principal	\$ 73,399.81	\$	\$	\$ 73,399.81
Expendable	37,491.01	649.74	3.49	38,137.26
Subtotal	\$ 110,890.82	\$ 649.74	\$ 3.49	111,537.07
<u>Endowment Funds:</u>				
Principal	\$ 207,724.05	\$	\$	\$ 207,724.05
Expendable	4,481.70	72.50		4,554.20
Subtotal	\$ 212,205.75	\$ 72.50	\$	\$ 212,278.25
<u>Agency Funds:</u>				
Balances	\$ 129,984.73	\$121,061.91	\$151,130.44	\$ 99,916.20
Combined Totals	\$2,738,361.29	\$715,658.81	\$734,255.43	\$2,719,764.67

Each member received a copy and, after a general discussion, upon motion duly made, seconded and carried, the report was authorized received and made of record.

C. Bond Issue Resolution, Shawneetown, Authorized.

Mr. Peterson stated that this Board had heretofore authorized construction of apartment houses known as Shawneetown. The State Property and Building Commission had heretofore authorized and approved the request of the University of Kentucky for the construction of apartment houses and the issuance of revenue bonds to pay the cost of constructing these buildings. He further stated that there is presently great need for additional housing for married students and staff members of the University. He recommended authorization and sale of \$2,156,000.00 revenue bonds.

Whereupon Dr. Ralph J. Angelucci introduced and caused to be read in full a proposed Resolution entitled "A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF HOUSING REVENUE BONDS OF 1956, SHAWNEETOWN, OF THE UNIVERSITY OF KENTUCKY TO PAY THE COSTS (NOT OTHERWISE PROVIDED) OF CONSTRUCTING AN ADDITIONAL HOUSING PROJECT UPON THE CAMPUS OF THE UNIVERSITY

WHEREAS, the University of Kentucky and its students are not now being provided with adequate buildings for educational purposes, and in order to provide the same it is necessary that there be constructed additional buildings and appurtenances to be used as housing facilities upon a site which is hereinafter described and which is a part of the campus of the University, and

WHEREAS, preliminary plans and specifications for such construction have been prepared and submitted to the Board of Trustees, and

WHEREAS, under the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, the Board of Trustees of the University of Kentucky, as the governing body of said State Educational Institution, is authorized to issue Bonds as hereinafter provided for the purpose of financing all or a part of the cost of said buildings and appurtenances, and

WHEREAS, it is necessary that the Board of Trustees provide at this time for the borrowing of not to exceed \$2,156,000 to provide for the estimated total costs thereof,

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY HEREBY RESOLVES AS FOLLOWS:

Section 1. It is hereby determined and declared that the proper accommodation of the students of the University of Kentucky for educational purposes requires that additional buildings be constructed upon the campus of the University at Lexington, Kentucky, the same to comprise six buildings with 186 apartments for student and faculty families, and other necessary appurtenant facilities (collectively referred to herein as the "Project"). The plans and specifications of said Project as prepared and submitted to this Board are hereby in all respects approved.

Section 2. In order to provide for the payment of the costs of the Project there shall be and there are hereby ordered to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity and by and through its corporate name, and as a State Educational Institution and Agency, Housing Revenue Bonds of 1956, Shawneetown, in the aggregate principal amount of \$2,156,000, dated October 1, 1956, of the denomination of \$1,000 each, to be numbered consecutively from 1 to 2156, both numbers inclusive, bearing interest to be evidenced by coupons attached to each Bond at a rate or rates which, when averaged to maturity on the Bonds covered by the bid, shall not result in an average interest rate on such Bonds in excess of Two and Three-quarters per cent (2 3/4%) per annum (the exact rate or rates to be determined at the time of the receipt and consideration of bids for the purchasing of said Bonds, as hereinafter provided), payable on the first day of April, 1957, and semi-annually thereafter on the first days of October and April in each year until maturity. Said Bonds shall in all respects conform to and be issued in accordance with the provisions of the Trust Indenture referred to in Section 4 hereof. The Chairman and Secretary of the Board of Trustees are hereby authorized and directed to execute said Bonds, and the Secretary is hereby authorized and directed to affix to each of said Bonds the corporate seal of the Board of Trustees. The interest coupons shall bear the facsimile signatures of said officers. However, notwithstanding any of the foregoing provisions, the Board, at the option of the purchaser or purchasers of the Bonds and until such time as the purchaser or purchasers of the Bonds request(s) the preparation of the definitive Bonds, shall issue a single Bond or Bonds with face values in the amount of the respective purchases in lieu of individual coupon denomination Bonds. Such single Bonds shall be non-negotiable, registered as to principal and interest and payable as directed by the purchasers but otherwise complying with the provisions of the Trust Indenture. The Board covenants that upon request of the holder of a single Bond it shall issue at its own expense and within ninety days from the date of such request, negotiable bearer coupon Bonds in the denomination of \$1,000, according to the provisions governing coupon Bonds in such Trust Indenture, in an aggregate amount equal to the amount of the single Bond still outstanding. After said Bonds have been sold by the Board of Trustees or by its Executive Committee, which is hereby authorized to act in that connection, at an advertised public competitive sale, and as soon as said Bonds have been received from the printer and executed by the Chairman and Secretary of the Board of Trustees, the same shall be delivered for authentication to the Trustee named in said Trust Indenture, accompanied by appropriate certifications as provided in said Trust Indenture, including a certification of the identity of the purchaser or purchasers of said Bonds and the terms upon which the same may be delivered to said purchaser or purchasers.

Section 3. The Secretary of this Board is hereby authorized and directed to execute an appropriate form of "Notice of Sale of Bonds" and cause the same 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 one time in The Bond Buyer, a financial newspaper published in New York, New York, of general circulation throughout the United States of America, soliciting sealed competitive proposals for the purchasing of said Bonds, the same to be received in the office of said Secretary on the campus of the University at Lexington, Kentucky, until some day and hour when the Board of Trustees or its Executive Committee will be in session. Publication in each of said newspapers shall be made not less than two weeks prior to the time stated in said "Notice of Sale of Bonds" for the opening and consideration of such purchase proposals. In said notice, purchasers shall be instructed that proposals may be for the purchasing of (a) the entire \$2,156,000 of authorized Bonds; or (b) Bonds maturing on October 1 in the years 1959 to 1971, inclusive; or (c) Bonds maturing on October 1 in the years 1972 to 1986, inclusive; or (d) Bonds maturing on October 1 in the years 1987 to 1996, inclusive; that the bidders may stipulate one or more interest coupon rates with respect to said Bonds, providing the average of such rates does not exceed Two and Three-quarters per cent ($2\frac{3}{4}\%$) per annum, and only one coupon rate may be stipulated for Bonds maturing on the same date. If a bid carries two or more interest rates on a single block of Bonds, or on combined blocks of Bonds, an average interest rate shall be computed on the basis of the total interest costs at par for such single block, or combined blocks, covered by the bid at the offered rates; and if the average rate so obtained is not more than Two and Three-quarters per cent ($2\frac{3}{4}\%$), the bid shall be considered to qualify. A minimum bid of par value (plus accrued interest to the date of delivery and payment) shall be required. The right to reject bids shall expressly be reserved.

The Secretary is further authorized and directed to execute in multiple copies a statement giving a more complete and particular description of the Bonds, provisions for the security and payment thereof, disposition of Bond proceeds etc. than is possible within the limits of said published notice; and to furnish copies of such statement to all interested bidders upon request. Such statement may also contain a particular description of the terms and conditions upon which the Bonds are offered for sale, in order to bring about uniformity in the proposals which may be submitted for the purchasing of said Bonds.

Section 4. Said Bonds shall be secured by a Trust Indenture between the Board of Trustees of the University of Kentucky, party of the first part, and Farmers Bank and Capital Trust Company, a combined bank and trust company having corporate trust powers, organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, and having its principal office and place of business in Frankfort, Franklin County, Kentucky, party of the second part. The Chairman and Secretary of the Board of Trustees are hereby authorized and directed to make, execute and deliver such Trust Indenture in substantially the form, text, terms and provisions hereinafter set out, and this Board of Trustees hereby approves, ratifies and confirms all of the covenants, provisions and stipulations as set out in such Trust Indenture, to-wit:

(Form of Indenture)

TRUST INDENTURE

This INDENTURE dated as of the first day of October, in the year Nineteen Hundred Fifty-six (1956), made by and between BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, a body corporate, as an Educational Institution and Agency of the Commonwealth of Kentucky (hereinafter called the "Board"), party of the first part, and FARMERS BANK AND CAPITAL 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 powers to act as a corporate Trustee, and having its principal office and place of business in the City of Frankfort, Franklin County, Kentucky, as Trustee (hereinafter called the "Trustee"), party of the second part,

WITNESSETH:

THAT WHEREAS, pursuant to Section 164.160 of the Kentucky Revised Statutes now in full force and effect, the Board is a body corporate with all powers generally invested in corporations and as such is the governing body of the University of Kentucky, an Educational Institution and Agency of the Commonwealth of Kentucky, having full control of the management and operation of said University together with the property and funds thereof, and

WHEREAS, pursuant to the provisions of Section 162.340 et seq. of said Kentucky Revised Statutes, said Board as the governing body of said State Educational Institution and Agency, is authorized to erect buildings and appurtenances to be used in connection with said Institution for educational purposes, and

WHEREAS, the Board has determined that said University and its students are not at this time provided with adequate buildings and accommodations for educational purposes; and has determined that it is necessary to construct six buildings, designed to provide 186 apartments, with other necessary appurtenant facilities (collectively referred to herein as the "Project"), such buildings to be situated upon a site which is a part of the campus of said University in the City of Lexington, Fayette County, Kentucky, and which is hereinafter described and identified for the purpose of identifying the Project, and

WHEREAS, pursuant to Section 162.340 et seq. of the Kentucky Revised Statutes now in full force and effect, the Board is authorized to provide all or a part of the costs of said Project through the issuance and sale of its Revenue Bonds, payable solely from the income and revenues provided to the University through the operation of said Project, and

WHEREAS, the Board of Trustees of the University of Kentucky has duly adopted an appropriate form of Resolution authorizing the issuance of "University of Kentucky Housing Revenue Bonds of 1956, Shawneetown," dated October 1, 1956, as hereinafter described, and has duly authorized the execution of this Trust Indenture in the form hereof for the purpose of securing

the payment of said Bonds and the interest thereon and to provide for the proper and orderly administration of the revenues of said Project and of the Bond proceeds, and

WHEREAS, the coupon Bonds of said series, the coupons appertaining thereto, the Bonds without coupons of said issue, the Trustee's certificate with respect to such Bonds and provisions for the registration of said Bonds, which as to the coupon Bonds will be as to principal only and as to the Bonds without coupons will be both as to principal and interest, are to be substantially in the forms following, with appropriate insertions, omissions and variations as in this Indenture provided or permitted:

(Form of Coupon Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
HOUSING REVENUE BOND OF 1956, SHAWNEETOWN

Number _____

\$1,000.00

The Board of Trustees of the University of Kentucky, 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 thereof, as hereinafter provided, the sum of \$1,000 on the first day of October, 19____, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ per centum (____%) per annum, such interest being payable on April 1, 1957, and semi-annually thereafter on the first days of October and April in each year, 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, 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, at the principal office of Farmers Bank and Capital Trust Company in the City of Frankfort, Franklin County, Kentucky, or, at the option of the holder or registered owner, at the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City of New York, State of New York.

This Bond is one of a duly authorized series of Bonds in the aggregate principal amount of \$2,156,000, all of said Bonds being of the same form, tenor and effect (except for numbers and maturity dates), issued for financing the costs, not otherwise provided, of additional buildings for apartments and necessary appurtenant facilities for educational purposes in connection with the University of Kentucky, 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.

All of said Bonds are issued under and pursuant to an indenture (said indenture, together with all indentures supplemental thereto as therein permitted, being herein called the "Indenture") of even date herewith executed by and between Board of Trustees of the University of Kentucky and Farmers Bank and Capital Trust Company, Frankfort, Franklin County, Kentucky, as Trustee (said Trustee and any successor Trustee under said Indenture being herein called the "Trustee"), an executed counterpart of which is on file at the office of said Trustee in the City of Frankfort, Kentucky. Reference is hereby made to the Indenture 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, the fund charged with and pledged to the payment of the interest on and the principal of said Bonds, the nature and extent of the security, the rights, duties and obligations of said Board of Trustees 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 rentals and other charges for the use of said buildings and appurtenant facilities, identified by a description of the site upon which the same will be constructed upon the campus of the University of Kentucky at Lexington, Kentucky, which rents and charges will be sufficient to pay the cost of maintenance, repair and operation thereof and the principal of and the interest on said Bonds as the same shall become due and to provide reserves for such purposes. The Indenture provides for the creation of a special fund designated "1956 Housing Revenue Bond and Interest Sinking Fund Account, Shawneetown," (herein called the "Sinking Fund"), and for the deposit to the credit of said Sinking Fund of a fixed amount of the gross revenues of said buildings and appurtenant facilities over and above the cost of such maintenance, repair and operation, to pay the principal of and the interest on the Bonds as the same become due, and to provide a reserve for such purposes, which Sinking Fund is pledged to and charged with the payment of said principal and interest.

This Bond and the series of which it is one are payable only from a fixed amount of the gross income and revenues to be derived from the operation of said buildings and appurtenances which will be set aside in said Sinking Fund, and this Bond does not constitute any indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

Bonds numbered 1 to 291, inclusive, maturing October 1, 1959, to October 1, 1966, inclusive, of the series of which this Bond is part, are non-callable. The right is hereby reserved to call and redeem the Bonds numbered 292 to 2156, inclusive, maturing October 1, 1967, to October 1, 1996, inclusive, of the series of which this Bond is part, prior to maturity, as a whole or from time to time in part, in the inverse order of their numbering, said Bonds numbered 1734 to 2156, inclusive, maturing October 1, 1992, to October 1, 1996, inclusive, being so redeemable on any interest payment date upon terms of par plus accrued interest to the redemption date, and Bonds numbered 292 to 1733, inclusive, maturing October 1, 1967, to October 1, 1991, inclusive, being so redeemable on any interest payment date on or after April 1, 1967, upon terms of par plus accrued interest to the redemption date, plus a redemption premium of 3% of the principal amount thereof if called for redemption on or prior to October 1, 1971, $2\frac{1}{2}\%$ of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1976, 2% of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1981, $1\frac{1}{2}\%$ of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1986, and 1% of the principal amount thereof if called for redemption thereafter. Notice of any such intended redemption, identifying the Bonds to be redeemed, shall be on file at the office of the Trustee named in the aforementioned Indenture (or at the office of any successor Trustee which may be designated as in said Indenture provided) at least 30 days prior to the specified redemption date, and such notice shall be published at least once not less than 30 days prior to said redemption date in a financial publication published in the English language in the Borough of Manhattan, City and State of New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee (or successor Trustee) on the specified redemption date shall cease to bear interest on said redemption date. Priority as to prior redemption shall extend to Bonds numbered 1,734 to 2,156, inclusive, over Bonds numbered 292 to 1,733, inclusive.

This Bond shall pass by delivery unless registered as to principal in the holder's name on the books of said Board of Trustees at the office of Farmers Bank and Capital Trust Company in the City of Frankfort, Kentucky, or at the office of its successor as Trustee under the Indenture, and such registration noted hereon, after which no valid transfer hereof can be made except at such office, until after registered transfer to bearer, but after such registered transfer to bearer, this Bond shall be again transferable by delivery, and may again from time to time be registered or transferred to bearer as before. 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 Trustees and the Trustee may deem and 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 receiving payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said buildings and appurtenant facilities, is created and granted to and in favor of the holder or holders of this Bond and the series of which it is a part, and in favor of the holder or holders of the coupons attached thereto, and said buildings and appurtenant facilities shall remain subject to such

statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the series 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 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 Trustees and of said University of Kentucky, does not exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said buildings and appurtenances will be continuously operated by said Board of Trustees, and that a sufficient portion of the gross income and revenues therefrom has been pledged to and will be set aside into a special account for the payment of the principal of and interest on this Bond and the series of which it is a part, as the same will respectively become due.

IN TESTIMONY WHEREOF, Board of Trustees of the University of Kentucky has caused this Bond to be signed by its Chairman, and its corporate seal to be hereunto affixed, attested by its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of the said Chairman and Secretary, which officers, by the execution of this Bond, do adopt said facsimile signatures to be their respective authorized and proper signatures, all being done as of the first day of October, 1956.

BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

By _____
Chairman, Board of Trustees

(Seal)

Attest:

Secretary, Board of Trustees

(Form of Coupon)

Number _____

\$ _____

(Form of Fully Registered Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
HOUSING REVENUE BOND OF 1956, SHAWNEETOWN

Number _____

\$2,156,000

The Board of Trustees of the University of Kentucky, a body corporate, as an Educational Institution and Agency of the Commonwealth of Kentucky (hereinafter called the "Board of Trustees"), for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the UNITED STATES OF AMERICA, 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 Two Million One Hundred Fifty-six Thousand Dollars (\$2,156,000) on the first day of October, in installments as follows:

Year _____	Principal Amount _____	Year _____	Principal Amount _____
---------------	------------------------------	---------------	------------------------------

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, and to pay interest on the balance of said principal sum from time to time remaining unpaid in like coin or currency, at the rate of 2-3/4% per annum, semi-annually on April 1 and October 1 of each year, commencing _____, 19____, until the principal amount hereof has been paid. During the time the Payee is the registered owner of this Bond payment of the principal installments and interest due shall be made at the Federal Reserve Bank 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 principal office of Farmers Bank and Capital Trust Company, the Trustee under the Indenture, hereinafter mentioned, pursuant to which this Bond is issued, in the City of Frankfort, Kentucky, or its successor as such Trustee, or at the option of the Alternate Payee at the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City and State of New York, or its successor as designated by the Board of Trustees (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 be promptly sent to the Board of Trustees at the office of the Trustee, and such payment shall fully discharge the obligation of the Board of Trustees hereon to the extent of the payments so made. Upon final payment of principal and interest this Bond shall be submitted to the Trustee for cancellation and surrender to the Board of Trustees.

This Bond, designated as the "Housing Revenue Bond of 1956, Shawneetown" (herein referred to as the "Bond"), is issued for financing the costs not otherwise provided of the construction of additional buildings for apartments and necessary appurtenant facilities for educational purposes in connection with the University of Kentucky under, pursuant to 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 Kentucky Revised Statutes now in full force and effect, and under and pursuant to an Indenture dated as of October 1, 1956, (herein referred to as the "Indenture"), duly executed and delivered by the Board of Trustees, pursuant to resolution adopted on September 17, 1957, to the Trustee, to which Indenture, and all indentures supplemental thereto, reference is hereby made for the provisions, among others, with respect to the description of the property mortgaged, the custody and application of the proceeds of this Bond, the collection and disposition of the revenues from such property mortgaged, the fees, revenues and the fund charged with and pledged to the payment of the interest on and the principal of this Bond, the nature and extent of the security hereby created, and the rights, limitation of rights, obligations, duties and immunities of the Trustee, the Board of Trustees and the registered owner of this Bond. An executed counterpart of the Indenture is on file at the office of the Trustee, and an executed counterpart has been recorded at the office of the Clerk of the County of Fayette, State of Kentucky, as provided by law for the recording of mortgages on real estate.

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 rentals and other charges for the use of the buildings and appurtenant facilities, identified by a description of the site upon which the same will be constructed upon the campus of the University of Kentucky, at Lexington, Kentucky, which rents and charges will be sufficient to pay the cost of maintenance, repair and operation thereof and the principal of and the interest on this Bond as the same shall become due and to provide reserves for such purposes. The Indenture provides for the creation of a special fund designated as "1956 Housing Revenue Bond and Interest Sinking Fund Account, Shawneetown" (hereinafter called the "Sinking Fund"), and for the deposit to the credit of said Sinking Fund of a fixed amount of the gross revenues of such buildings and appurtenant facilities over and above the cost of such maintenance, repair and operation, to pay the principal of and the interest on this Bond as the same become due and to provide a reserve for such purposes, which Sinking Fund is pledged to and charged with the payment of said principal and interest.

This Bond is a special obligation of the Board of Trustees and is payable solely from a fixed amount of the gross income and revenues to be derived from the operation of said buildings and appurtenances which will be set aside in said Sinking Fund, and this Bond does not constitute any indebtedness of the University of Kentucky, of its Board of Trustees or of the

Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

As provided in the Indenture, this Bond is exchangeable at the sole expense of the Board of Trustees 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 of Trustees at the office of the Trustee in the City of Frankfort, Kentucky, for negotiable coupon bonds, payable to bearer, registrable as to principal only, of the denomination of One Thousand Dollars (\$1,000) each, in an aggregate principal amount equal to the unpaid principal amount of this Bond, with maturities corresponding to the unpaid principal installments of this Bond, and in the form of such coupon bonds as provided for in the Indenture.

In addition to the installments of principal required to be paid by the Board of Trustees as hereinabove set forth, the Board of Trustees shall have the right to prepay on any interest payment date the principal installments due after October 1, 1991, or any portion thereof as it may determine upon in inverse chronological order and in multiples of One Thousand Dollars, at the principal amount thereof plus accrued interest to the date of prepayment. After payment of the aforesaid installments the Board of Trustees shall have the right to prepay on any interest payment date after October 1, 1966, the entire principal amount hereof then remaining unpaid, or such lesser portion thereof as it may determine upon in inverse chronological order of said installments and in multiples of One Thousand Dollars, at the following prices (expressed in terms of a percentage of the principal amount of such prepayment) plus accrued interest to the date of prepayment: 103% if paid on or prior to October 1, 1971, 102½% if paid after October 1, 1971, but on or prior to October 1, 1976, 102% if paid after October 1, 1976, but on or prior to October 1, 1981, 101½% if paid after October 1, 1981, but on or prior to October 1, 1986, and 101% if paid thereafter. Provided, however, that so long as the registered owner hereof shall be the Payee, the Board of Trustees may prepay on any interest payment date the entire unpaid principal amount hereof or, from time to time in the inverse chronological order of the said installments, such lesser portion thereof in multiples of One Thousand Dollars as the Board of Trustees may determine, at the principal amount thereof plus accrued interest to the date of such prepayment.

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 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 the assignor shall promptly notify the Board of Trustees at the office of the Trustee by registered mail.

A statutory mortgage lien which is hereby recognized as valid and binding on such buildings and appurtenant facilities is created and granted to and in favor of the holder of this Bond, and such buildings and appurtenant facilities shall remain pledged to such statutory mortgage lien until payment in full of the principal of and interest on this Bond.

In case an event of default, as defined in the Indenture, shall occur, the principal of this Bond may be declared or may become due and payable in the manner and with the effect provided in the Indenture.

It is hereby certified that all of the conditions, acts and things required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in regular form, time and manner, and the amount of this Bond, together with all other obligations of said Board of Trustees of said University of Kentucky, does not exceed any limit prescribed by the Constitution or statutes of Kentucky; that said buildings and appurtenances will be continuously operated by said Board of Trustees and that a sufficient portion of the income and revenues therefrom has been pledged to and will be set aside into a special account for the payment of interest on and principal of this Bond as the same shall respectively become due.

This Bond shall not be entitled to any benefit under the Indenture or shall be valid or become obligatory unless it shall have been authenticated by the Trustee, or its successor in the trust, by completing the Certificate of Trustee appearing hereon.

IN WITNESS WHEREOF, the Board of Trustees of the University of Kentucky has caused this Bond to be executed in its name by its Chairman, its corporate seal to be hereto affixed and attested by its Secretary, all as of the first day of October, 1956.

BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

By _____
Chairman, Board of Trustees

(SEAL)

Attest:

Secretary, Board of Trustees

(Form of Trustee's Certificate)

CERTIFICATE OF TRUSTEE

This Bond is the single fully registered installment Bond described in the within-mentioned Indenture.

FARMERS BANK AND CAPITAL TRUST
COMPANY, Trustee

By _____
Authorized Officer

(Form of Assignment)

ASSIGNMENT

For value received the undersigned hereby sells, assigns, transfers and sets over the within Bond to _____, of _____, _____.

Dated this _____ day of _____, 19____.

By _____

Payment Record

Due Date	Principal Payment	Principal Balance Due	Interest Payment (2-3/4%)	Date Paid	Name of Paying Agent Authorized Official and Title
_____	(enter amounts)	_____	\$ _____	_____	_____
_____		(leave blank)	(blank)	(blank)	_____
_____					_____
_____					_____

(enter dates for principal and interest)

(80 due dates-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)

Schedule "A"

(this should be separate sheet)

Principal installments on which payments have been made prior to Maturity

Date	Principal Due Amount	Principal Payment	Balance	Date Paid	Name of Paying Agent Authorized Official and Title
_____	_____	_____	_____	_____	_____

AND, WHEREAS, the Board has duly authorized the issuance of the Bonds and the execution and delivery of this Indenture and all other acts and things necessary to make the Bonds when duly executed on behalf of the Board and authenticated by the Trustee and issued, valid and binding legal obligations of the Board in accordance with their terms and to make this Indenture a valid and binding Indenture of Trust for the security of the Bonds, have been duly done and performed;

NOW, THEREFORE, this Indenture witnesseth:

That in consideration of the premises, of the acceptance by the Trustee of the Trust hereby created, and of the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar (\$1.00) to the Board in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds and interest coupons are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all the Bonds at any time issued and outstanding hereunder, and the interest thereon according to their tenor, purport, and effect, and in order to secure the performance and observance of all of the covenants, agreements, and conditions therein and herein contained, the Board has pledged and does hereby pledge to the Trustee, to the extent provided in this Indenture, the revenues of the Project as security for the payment of the Bonds and the interest thereon, and it is mutually agreed and covenanted by and between the parties hereto, for the equal and proportionate benefit and security of all and singular the present and future holders of the Bonds and interest coupons issued and to be issued under this Indenture, without preference, priority, or distinction as to lien or otherwise, except as otherwise herein provided, of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof or otherwise, as follows:

ARTICLE ONE

DEFINITION OF TERMS

Section 1.01. In each and every place in and throughout this Indenture wherein the following terms, or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, are used, and are intended to have meanings and to be inclusive, as follows:

- (a) "University"--the University of Kentucky, situated in Lexington, Fayette County, Kentucky.
- (b) "Board"--the Board of Trustees of the University of Kentucky, as such, or acting through its Executive Committee, to the extent that the powers of said Board of Trustees may have been delegated to such Executive Committee as permitted by Section 164.190 of the Kentucky Revised Statutes.

- (c) "Trustee"--Farmers Bank and Capital 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 Frankfort, Franklin County, Kentucky, or any successor Trustee designated pursuant to the provisions of this Indenture.
- (d) "Paying Agents"--the Trustee or any successor Trustee as defined in the foregoing paragraph (c), and, at the option of the holders of the Bonds and coupons issued under the provisions hereof, the principal office of Chemical Corn Exchange Bank in the Borough of Manhattan, City of New York, State of New York, or its successor, or at the office of the Fiscal Agent as provided in the form of fully registered Bond without coupons.
- (e) "Bonds"--Bonds issued pursuant to the provisions of this Indenture.
- (f) "Sinking Fund"--the "1956 Housing Revenue Bond and Interest Sinking Fund Account, Shawneetown," of the University of Kentucky, as created in this Indenture.
- (g) "Construction Fund"--the special account or fund created in this Indenture, into which provision is made for the deposit of the Bond proceeds (exclusive of accrued interest received from the purchaser or purchasers and exclusive of interest during construction), together with any other funds appropriated by the Board of Trustees of the University of Kentucky as a contribution to the costs of the Project, (as hereinafter defined).
- (h) "Project"--the six buildings with approximately 186 apartments for student and faculty families, including necessary appurtenant facilities for educational purposes, to be constructed through application of the proceeds of the Construction Fund, upon a portion of the campus of the University at Lexington, Kentucky, said portion or site being particularly described in Article THIRTEEN hereof.
- (i) "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.
- (j) "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.
- (k) "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.

- (l) "Counsel"--any Counsel appointed by the Board, including any Counsel in the employ of the Board or of the University and so appointed.
- (m) "Engineer"--any licensed architect or engineer appointed by the Board, including any such architect or engineer in the employ of the Board or of the University and so appointed.
- (n) "Accountant"--any accountant appointed by the Board and approved by the Trustee, including any accountant in the employ of the Board or of the University and so appointed and approved.
- (o) "Certified copy of a Resolution"--a resolution certified by the Secretary to have been duly passed and adopted by the Board or by the Executive Committee of the Board acting within the scope of the powers duly delegated to it by the Board, and certified by said Secretary to have been adopted by the requisite majority of said Board or its Executive Committee at a meeting duly and properly called and convened.
- (p) "Fiscal Year"--shall mean the 12-months period beginning July 1, and ending the following June 30, inclusive.

Section 1.02. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

Section 1.03. The words "Bonds," "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 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 1.04. Whenever in this Indenture it is provided that any facts 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 TWO

EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF BONDS

Section 2.01. Save as is herein provided in respect of mutilated, lost, destroyed or stolen Bonds and in respect of transfers and exchanges, Bonds may be issued hereunder to the aggregate principal amount of Two Million One

Hundred and Fifty-six Thousand Dollars (\$2,156,000) and no more. The Bonds shall be issued as coupon Bonds (subject to the right of the purchaser or purchasers to have issued Bonds without coupons as herein provided) in the denomination of One Thousand Dollars (\$1,000) each, registerable as to principal only and numbered as hereinafter provided. The principal of each coupon Bond and the interest thereon shall be payable at the office of Farmers Bank and Capital Trust Company, in the City of Frankfort, Kentucky, or of its successors in trust under this Indenture, or, at the option of the holder, at the principal office of Chemical Corn Exchange Bank, in the City of New York and State of 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. The Bonds and the interest coupons appertaining thereto shall be respectively substantially in the forms hereinbefore set forth, with such omissions, variations and insertions as are required or permitted by the terms of this Indenture to evidence the terms thereof. This Indenture shall be a continuing lien to secure the full and final payment of the principal of and interest on all Bonds issued, authenticated and delivered pursuant to the terms hereof.

Until such time as the purchaser or purchasers of the Bonds requests or request the preparation of definitive coupon Bonds a single Bond or Bonds without coupons shall be issued to such purchaser or purchasers with face values in the amount of the respective purchases, in lieu of individual coupon Bonds in the denomination of \$1,000. Such single Bonds without coupons shall be non-negotiable, registered as to principal and interest and payable as directed by the purchaser or respective purchasers and substantially in the form as hereinbefore set out for Bonds without coupons, and the issuance of such Bonds without coupons will be pursuant to the provisions contained in the form hereinbefore set forth for Bonds without coupons, provided, however, that if the purchaser of such Bonds without coupons is someone other than the Payee named in such form, payments of principal and interest thereon shall be made according to the provisions in such form governing an Alternate Payee, and appropriate changes will be made in such form because of the purchaser not being such Payee. The Board covenants that upon request of the holder of a single Bond without coupons it shall issue at its own expense and within ninety days from the date of such request negotiable bearer coupon Bonds in the denomination of \$1,000, according to the provisions hereof governing coupon Bonds, and the form of which will be substantially as hereinbefore set forth for coupon Bonds, in an aggregate amount equal to the amount of the single Bond without coupons still outstanding. The printing of the text of such Bonds shall be of type composition on paper of sufficient weight and strength to prevent deterioration throughout the life of the loan and shall conform in size to standard practice.

Section 2.02. This Indenture shall secure the payment of the principal of and interest on said coupon Bonds and/or said Bonds without coupons in the aggregate principal amount of Two Million One Hundred and Fifty-six Thousand Dollars (\$2,156,000), each Bond to be designated as a "University of Kentucky Housing Revenue Bond of 1956, Shawneetown." The said coupon Bonds shall be dated October 1, 1956, and numbered 1 to 2,156, inclusive, and shall bear interest at one or more interest coupon rates to be established upon the basis of competition among bidders when said Bonds are sold at an

advertised public competitive sale, as herein provided. All such interest on coupon Bonds to the respective maturity dates of principal shall be evidenced by coupons attached to the Bonds, maturing on April 1, 1957, and on each October 1 and April 1 thereafter. The coupon Bonds shall mature as to principal in accordance with the following schedule:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1-33	\$ 33,000	October 1, 1959
34-67	34,000	October 1, 1960
68-102	35,000	October 1, 1961
103-138	36,000	October 1, 1962
139-174	36,000	October 1, 1963
175-212	38,000	October 1, 1964
213-251	39,000	October 1, 1965
252-291	40,000	October 1, 1966
292-332	41,000	October 1, 1967
333-374	42,000	October 1, 1968
375-417	43,000	October 1, 1969
418-461	44,000	October 1, 1970
462-506	45,000	October 1, 1971
507-553	47,000	October 1, 1972
554-601	48,000	October 1, 1973
602-650	49,000	October 1, 1974
651-701	51,000	October 1, 1975
702-753	52,000	October 1, 1976
754-807	54,000	October 1, 1977
808-862	55,000	October 1, 1978
863-919	57,000	October 1, 1979
920-977	58,000	October 1, 1980
978-1037	60,000	October 1, 1981
1038-1098	61,000	October 1, 1982
1099-1161	63,000	October 1, 1983
1162-1226	65,000	October 1, 1984
1227-1292	66,000	October 1, 1985
1293-1360	68,000	October 1, 1986
1361-1430	70,000	October 1, 1987
1431-1502	72,000	October 1, 1988
1503-1577	75,000	October 1, 1989
1578-1654	77,000	October 1, 1990
1655-1733	79,000	October 1, 1991
1734-1814	81,000	October 1, 1992
1815-1897	83,000	October 1, 1993
1898-1982	85,000	October 1, 1994
1983-2069	87,000	October 1, 1995
2070-2156	87,000	October 1, 1996

Coupon Bonds numbered 1 to 291, inclusive, maturing October 1, 1959, to October 1, 1966, inclusive, are and shall be non-callable. The right is hereby reserved to call and redeem the coupon Bonds numbered 292 to 2,156, inclusive, maturing October 1, 1967, to October 1, 1996, inclusive, prior to maturity, as a whole, or from time to time in part, in the inverse order of their numbering, said coupon Bonds numbered 1,734 to 2,156, inclusive, maturing October 1, 1992, to October 1, 1996, inclusive, being so redeemable on any interest payment date upon terms of par plus accrued interest to the redemption date, and coupon Bonds numbered 292 to 1,733, inclusive, maturing October 1, 1967, to October 1, 1991, inclusive, being so redeemable on any interest payment date on or after April 1, 1967, upon terms of par plus accrued interest to the redemption date, plus a redemption premium of 3% of the principal amount thereof if called for redemption on or prior to October 1, 1971, 2 1/2% of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1976, 2% of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1981, 1 1/2% of the principal amount thereof if called for redemption thereafter and on or prior to October 1, 1986, and 1% of the principal amount thereof if called for redemption thereafter. Such right of redemption shall be at the option of the Board or through the application of (a) the proceeds of insurance as provided in Section 5.04 of this Indenture, or (b) the balance of moneys in the Construction Fund as provided in Section 7.06 of this Indenture. In each such case such redemption shall be upon the notice and in the manner and with the effect provided in Article THREE of this Indenture, and upon payment of the principal amount of the coupon Bond or coupon Bonds to be redeemed and accrued interest thereon to the date fixed for redemption. If any Bonds without coupons are issued, same shall be dated as of October 1, 1956. If Bonds without coupons are issued as herein provided, instead of coupon Bonds with numbers as hereinbefore set forth, such Bonds without coupons shall on their face show what coupon Bonds such Bonds without coupons are convertible into and what Bonds with coupons the Bonds without coupons have been issued in lieu of, as is provided in the form of Bonds without coupons hereinbefore set forth, and such Bonds without coupons will be redeemable according to the same provisions as govern the coupon Bonds in lieu of which the Bonds without coupons have been issued, except that the notice of redemption for Bonds without coupons shall be given as provided in Article THREE, instead of the manner provided for coupon Bonds.

Section 2.03. The Bonds shall be offered for sale by the Board, without the intervention of the Trustee, at such time or times as the Board or the Executive Committee may direct upon the basis of notices published by the Board or the Executive Committee in a newspaper of general circulation throughout the Commonwealth of Kentucky and in The Bond Buyer, a financial news medium published in New York, New York, of general circulation throughout the United States of America, and upon the basis of sealed competitive bids which shall be opened, considered and acted upon by the Board or by its Executive Committee, as the Board or said Executive Committee may deem desirable. The Bonds shall at one time or from time to time be executed on behalf of the Board by its Chairman under its corporate seal, attested by its Secretary, and shall 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, authenticate and shall deliver the said Bonds in principal amount not exceeding Two Million One Hundred and Fifty-six Thousand Dollars (\$2,156,000) upon the order of the Board, signed by its Chairman and designating the identifying numbers, maturities and interest rates of the Bonds contemplated thereby; the name of the purchaser thereof and the amount of the purchase price. The Trustee shall make delivery to such purchaser or purchasers, but only upon payment of the stated purchase price, which shall immediately be deposited to the credit of the University in the various special funds or accounts, as hereinafter provided.

Only Bonds as shall bear thereon endorsed a certification of authentication substantially in the form hereinbefore recited, executed by the Trustee, 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 the trusts hereby created.

The Bonds must be prepared and printed in compliance with standard requirements and specifications.

Section 2.04. In case any person who shall have signed, sealed or attested any Bond issuable under this Indenture as an officer of the Board of Trustees of the University shall have ceased to be such officer before the Bond so signed, sealed or attested shall have been actually authenticated and delivered by the Trustee, such Bond nevertheless may be authenticated and delivered and issued as though the person who signed, sealed or attested such Bond had not ceased to be such officer of the Board of Trustees of the University.

Any Bond issuable hereunder may be signed, sealed or attested in behalf of the Board by any person at the actual date of the execution or authentication of such Bond being the proper officer of the Board of Trustees of the University, although at the date of such Bond such person shall not have been such officer of such Board of Trustees.

The coupons to be attached to coupon Bonds issued hereunder shall be signed by the 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 facsimile signatures of any persons who shall have been such Chairman and Secretary, notwithstanding the fact that they may have ceased to be such Chairman and Secretary at the time when such Bonds shall be actually authenticated and delivered.

Section 2.05. The Board shall keep at the office of the Trustee books for the registration and transfer of registration of Bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the holder of any Bond issued hereunder, and upon presentation of coupon Bonds or proper notice of assignment of registered Bonds without coupons 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 registrar in effecting all registrations on the books kept at its office.

All coupon Bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter 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 by the registered owner in person, or by his duly authorized attorney, and similarly noted on the coupon Bond; but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon 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 Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the party requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

Whenever any registered Bond without coupons is assigned the registered owner shall promptly give notice that such assignment has been made, to the Trustee, and thereafter payments with respect to principal and interest on such Bond will be made to such assignee in the manner provided in such Bond, and the assignee shall furnish the Trustee or Paying Agent satisfactory evidence of such assignment.

Whenever any registered Bond without coupons shall be surrendered, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee duly executed by the registered owner of such Bond without coupons or his duly authorized attorney, at the office of the Trustee, for cancellation and for exchange for coupon Bonds, the Board of Trustees shall issue and the Trustee shall authenticate and, in exchange for such registered Bond without coupons, shall deliver coupon Bonds for a like principal sum remaining unpaid on such Bond without coupons and with maturities corresponding to such unpaid principal installments, with coupons attached thereto representing interest from the interest payment date on which interest was last paid on such registered Bond without coupons.

In every case of exchange of Bonds without coupons for coupon Bonds, the surrendered Bond or Bonds without coupons shall be presented to the Trustee for cancellation, and the Trustee shall cancel and cremate all such Bonds without coupons and shall deliver a certificate thereof to the Board of Trustees.

The Board shall not be required to make transfers of Bonds as provided in this Section 2.05 during a period of ten (10) days next preceding any interest payment date.

Section 2.06. Before authenticating any coupon Bonds the Trustee shall cut off, cancel and cremate all matured coupons, if any, thereon and the Trustee shall deliver to the Board a certificate of cremation thereof. Before authenticating any registered Bond without coupons the Trustee shall endorse on the Payment Record attached to such Bond a statement that no interest was due on all past interest payment dates, if any, because such Bond had not been delivered to the purchaser.

Section 2.07. Upon the receipt by the Board and the Trustee of evidence satisfactory to them of the loss, theft, destruction or mutilation of any outstanding Bond hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond if mutilated, the Board may execute and the Trustee may authenticate and deliver, upon the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or different serial numbers, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond. Such new Bond may bear such endorsement as may be agreed upon by the Board and by the Trustee and which at the time is necessary to conform to the requirements of any stock exchange or of any governmental body having jurisdiction. The Board may require the payment of a sum not exceeding Two Dollars (\$2.00) for each new Bond issued under this Section 2.07. The Trustee shall incur no liability for anything done by it under this Section.

Section 2.08. As to all coupon 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 coupon 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. All such payments shall be valid and effectual to satisfy and discharge the liability upon such coupon Bonds to the extent of the sum or sums so paid. The Board and the Trustee may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such Bond, whether such coupon Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Board and the Trustee shall not be affected by any notice to the contrary. As to all Bonds without coupons, same shall be fully registered as to principal and interest. The person in whose name 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 and the interest on such Bond without coupons shall be made only to or upon the order in writing of such registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid.

ARTICLE THREE

REDEMPTION OF BONDS

Section 3.01. Coupon Bonds numbered 1 to 291, inclusive, maturing

October 1, 1959, to October 1, 1966, inclusive, are and shall be non-callable. In case the Board shall desire to exercise its right of redemption of all, or, as the case may be, any part of the coupon Bonds numbered 292 to 2,156, both numbers inclusive, or in case any coupon Bonds are to be redeemed otherwise than at the option of the Board, it shall file with the Trustee (at least 30 days in advance of the redemption date) a copy of a notice specifying the redemption date and the numbers of the coupon Bonds to be redeemed, and shall publish in a financial publication published in the English language in the Borough of Manhattan, City and State of New York, at least once not less than 30 days before the date fixed for redemption, a notice to the effect that the Board will redeem all the coupon Bonds or a part thereof, as the case may be, on a date therein designated, specifying the maturity dates and in the case of partial redemption of the coupon Bonds of any maturity, the distinctive numbers of the coupon Bonds of such maturity to be redeemed, and in every case stating that on said redemption date there will become due and payable upon each coupon Bond so to be redeemed, at the offices of the Paying Agents, the principal thereof, together with accrued interest to such date, and such premium thereon, if any, as may be stipulated, as hereinbefore set forth, and that from and after such redemption date interest thereon will cease to accrue. If any of the coupon Bonds to be redeemed are registered as to principal, similar notice shall be sent by the Board through the mails, postage prepaid, at least thirty (30) days prior to such redemption date, to the persons respectively who shall appear by the transfer register of the Board to be the registered owners of such coupon Bonds, at their addresses as the same shall appear, if at all, upon the transfer record of the Board at the office of the Trustee, but such mailing shall not be a condition precedent to such redemption, and failure so to mail any notice shall not affect the validity of the proceedings for the redemption of such coupon Bonds. In case the Board shall have elected at its option to redeem less than all of the outstanding redeemable coupon Bonds, the coupon Bonds to be redeemed shall be taken in inverse numerical order. Priority as to prior redemption shall extend to coupon Bonds numbered 1,734 to 2,156, inclusive, over coupon Bonds numbered 292 to 1,733, inclusive.

No notice need be published in connection with the prior redemption of any Bonds without coupons issued hereunder, and notice shall be sent by the Board of Trustees through the mails, postage prepaid, at least thirty (30) days prior to the redemption date to the persons who shall appear by the transfer register of the Board to be the registered owners of the Bonds to be redeemed at their addresses as the same shall appear upon the transfer record of the Board at the office of the Trustee. Notice of any such intended redemption, identifying the Bonds without coupons to be redeemed and the extent to which they are to be redeemed shall be on file at the office of the Trustee named in the aforementioned Indenture (or at the office of any successor Trustee which may be designated as in said Indenture provided) at least thirty (30) days prior to the specified redemption date. Any Bonds without coupons called for redemption, in whole or in part, and for the payment of which funds are deposited with said Trustee (or successor Trustee) on the specified redemption date shall cease to bear interest on said redemption date. In case only a part of any Bond without coupons should be redeemed, same shall be presented by the registered owner to a Paying Agent for the notation thereon of such payment on account of principal.

If all of the Bonds to be redeemed are Bonds registered as to principal or as to both principal and interest, notice of redemption need not be published, but may be sent by registered mail to the registered owners of the Bonds to be redeemed at their addresses appearing upon the registration books. Such notice shall be mailed by the Board not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for redemption.

In case of redemption of Bonds through the application of the proceeds of insurance or the balance of moneys in the Construction Fund, such redemption shall be made upon publication and/or mailing of notice in the manner and with the effect provided in this Article, except that such publication and/or mailing may, at the option of the Trustee, be made by and in the name of the Trustee.

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 of cash sufficient to effect the redemption of the Bonds specified in such notice, or cause the Trustee to apply to such purpose moneys theretofore deposited with the Trustee under the provisions hereof 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 thereof and shall be paid to them respectively upon presentation and surrender of said Bonds accompanied by all interest coupons, if any, maturing after the date fixed for redemption thereof, provided, however, if any such Bonds shall be registered, the same shall be endorsed in blank for transfer if the Trustee shall so require.

From and after the date of redemption 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 so to be redeemed, and any coupons for interest pertaining to any such Bonds and maturing after such date shall be void, and all such Bonds, in so far 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, except as provided in Section 12.02(b) hereof.

Section 3.02. All Bonds so redeemed shall forthwith be cancelled by the Trustee, which shall deliver such cancelled Bonds to the Board.

ARTICLE FOUR

DISPOSITION OF INCOME AND REVENUES OF THE PROJECT

Section 4.01. As soon as any portion of the Project becomes revenue-producing, all rentals, charges, income and revenue arising from the operation or ownership of the Project shall be deposited to the credit of a special fund to be known as the "Housing Revenue Fund of 1956, Shawneetown," (hereinafter sometimes referred to as the "Revenue Fund"), which Revenue Fund is hereby

created. Such Revenue Fund shall be held in the custody of the Treasurer of the Board, separate and apart from all other funds. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding as a trust fund in a bank which is a member of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order hereinafter specified.

Section 4.02. There is hereby created a separate account, or accounts, herein collectively called the "1956 Housing Revenue Bond and Interest Sinking Fund Account, Shawneetown," (hereinafter sometimes referred to as the "Sinking Fund") The said Sinking Fund shall be established, maintained, deposited and in the custody of the Trustee and maintained so long as any of the Bonds are outstanding. Such Sinking Fund 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 as they mature or as otherwise herein provided.

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

- (1) That initially or from time to time there will be deposited in the Sinking Fund the accrued interest, if any, received at the time or times of the sale or sales of the Bonds, and if requested by the original purchaser of the bonds, such further sum from the Bond proceeds as will cause the total so deposited to equal all interest maturing until the Project becomes revenue-producing.
- (2) That as soon as any portion of the Project becomes revenue-producing the Board shall transfer from the Revenue Fund and deposit to the credit of the Sinking Fund the amount of \$60,000 on or before each March 15 and September 15 until the funds and/or investments therein are sufficient to meet debt service requirements on the outstanding Bonds for the then current year, plus a debt service reserve of \$185,000 and, thereafter, on or before each March 15 and September 15, such sums as may be necessary to meet the then current year's debt service and maintain the accumulated debt service reserve of \$185,000 on the outstanding Bonds.

Section 4.03. Immediately prior to each April 1 and October 1, the Trustee (or any successor Trustee under the provisions of this Indenture) shall transfer from the Sinking Fund to the principal office of Chemical Corn Exchange Bank, City of New York, State of New York, in its capacity as the New York Paying Agent named herein, funds sufficient to enable said New York Paying Agent to pay maturing Bonds and interest coupons, if any, as are there presented by the persons entitled to receive payment therefor; or shall make such arrangements with said New York Paying Agent as to assure the prompt payment of maturing Bonds and coupons, if any, as are there presented. The Trustee shall make similar arrangements in the event of redemption of any Bonds pursuant to Article THREE of this Indenture. All such arrangements shall include provisions for the payment to the New York Paying Agent of its reasonable fees and charges for its services in paying and cancelling Bonds and coupons, if any, in order that the persons entitled to receive payment

therefor may receive the full amount due and payable without deduction of any sum for the compensation of the New York Paying Agent. The Trustee shall make similar arrangements with respect to any other Paying Agent provided for herein.

Section 4.04. Current Expenses of the Project shall be payable after compliance with the provisions of Section 4.02 hereof from the Revenue Fund as the same become due and are payable. Current Expenses shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the Project, but shall exclude depreciation, all general administrative expenses of the Board and the payment into the "1956 Building Maintenance and Equipment Reserve Account, Shawneetown," hereinafter provided for.

Section 4.05. As soon as the required reserve is accumulated in the Sinking Fund the Board shall establish with the Trustee a separate account called the "1956 Building Maintenance and Equipment Reserve Account, Shawneetown," (hereinafter sometimes referred to as the "Maintenance Fund"), into which shall be deposited from the Revenue Fund on or before the close of each fiscal year the sum of \$14,000 annually until the funds and/or investments in said Maintenance Fund shall aggregate \$144,000 and, thereafter, such sums, but not more than \$14,000 annually, as may be required to maintain a balance of \$144,000 in the Maintenance Fund, which reserve may be drawn on and used by the Board for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the furniture or equipment not paid as part of the ordinary and normal expense of Project operation. However, in the event the funds in the Sinking Fund should be reduced below the amount required to meet the then current year's debt service and maintain the debt service reserve of \$185,000 for the outstanding Bonds, funds on deposit in the Maintenance Fund shall be transferred to the Sinking Fund to the extent required to eliminate the deficiency in such Sinking Fund.

Section 4.06. Subject to the foregoing, the Board may use the balance of excess funds in the Revenue Fund to redeem outstanding Bonds on the next interest payment date, in inverse numerical order in amounts of not less than \$5,000 par value at one time, or for any expenditures, including the payment of debt service, in improving or restoring any existing housing and dining facilities or providing any such additional facilities.

Section 4.07. If at the end of any fiscal year a balance shall remain in the Revenue Fund after the required sums have been deposited in the Sinking Fund and in the Maintenance Fund, all or any part of such balance may, by order of the Board, be transferred to and deposited in the Sinking Fund and applied to or held for the redemption of Bonds, or may be transferred to and deposited in the Maintenance Fund for application to the costs of any improvements, extensions or additions to the Project or may be used for current expenses of the Project so long as any Bonds are outstanding pursuant to the provisions of this Indenture. Moneys from time to time set aside into the Revenue Fund shall be applied solely as set forth in this Article FOUR and

under no circumstances shall any moneys deposited in the Revenue Fund be used for the general purpose and functions of the University.

ARTICLE FIVE

PARTICULAR COVENANTS OF THE BOARD

Section 5.01. The Board covenants and agrees that it is the lawful owner of the property which is to be the site of the Project, as hereinafter described in Article THIRTEEN hereof, that said property is free from any and all liens and encumbrances and that it will warrant and defend the title thereto against all claims and demands whatsoever.

Section 5.02. The Board covenants and agrees that it will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

Section 5.03. 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 issued hereunder, 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; and that so long as any of the Bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any Bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Board, then, anything in this Indenture contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of all Bonds issued hereunder and of such interest coupons and claims for interest as shall not have been so extended.

Section 5.04. Upon acceptance of the Project from the contractor, the Board shall procure and maintain so long as any of the Bonds are outstanding fire and extended coverage insurance on the Project, in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed 80 per centum (80%) of the full insurable value of the damaged building. Such insurance shall be in reputable insurance companies and by policies in form satisfactory to the Trustee, loss, 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 calendar year thereafter, furnish to the Trustee a statement in writing, signed by an officer of the Board, setting forth the full insurable value of the Project 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, and shall require such deposit if any event of default occurs. If the total received by the Trustee upon all policies shall, in case of one loss, be less than the sum of Ten Thousand Dollars (\$10,000) the amount shall be paid to the Board by the Trustee, to be used by the Board to pay for replacement or repairs of or substitutes for the damaged or destroyed property, but the Trustee shall not be obligated to see to the application thereof; that 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 held and applied by the Trustee as hereinafter in this Section provided. In the event of any damage to, or the destruction of, any of said building or buildings, the Board shall promptly arrange for the repair or reconstruction of the damaged or destroyed portion thereof or retire the outstanding Bonds, and shall arrange for the application of the proceeds of the insurance for that purpose, as is hereinafter in this Section provided.

So long as the funds and investments of the Sinking Fund are insufficient to provide debt service for the current year plus the required reserve, the Board will procure and maintain use and occupancy insurance on each building the revenues of which are pledged to the payment of the Bonds, in an amount sufficient to enable the Board to deposit in the 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 Sinking Fund from the revenues of the damaged building during the time the damaged building is non-revenue producing as a result of loss of use caused by hazards covered by fire and extended coverage insurance.

All insurance moneys (except the proceeds of use and occupancy insurance, which shall be deposited in the 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) received by the Trustee under the provisions of this Section 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 orders of the Board, signed by the Chairman 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 shall be fully sufficient to complete such repairs or replacement, 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, but 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 insurance proceeds shall remain after the completion of such repairs or replacements, then the Trustee shall deposit such moneys in the Sinking Fund provided for by Article FOUR hereof, and such moneys

shall be applied to the retirement of Bonds in the manner provided in Section 7.06 hereof, upon the first permissible redemption date.

Section 5.05. The Board covenants and agrees that it will at all times maintain, preserve and keep the Project 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 Project and every part thereof shall at all times be conducted properly and advantageously; and whenever any portion of the Project 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 the Project shall at all times be fully maintained, and the Board will set apart, use and apply for the foregoing purposes so much of the revenues of the Project as herein provided.

Section 5.06. The Board covenants and agrees that if it shall fail to perform any of the covenants in Sections 5.03, 5.04 and 5.05 hereof, the Trustee, or receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and it hereby agrees to pay all sums so advanced in its behalf, on demand, with interest at the rate of six per cent (6%) per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created, in priority to the indebtedness evidenced by the Bonds and coupons issued hereunder; but no such advance shall be deemed to relieve the Board from any default hereunder.

Section 5.07. The Board covenants and agrees that if, in the opinion of counsel, it is necessary to do so, it will cause this Indenture and each supplemental indenture to be kept filed, recorded and indexed in such manner and in such places as may be required by law for the filing, recordation and indexing of a real estate mortgage, and as a chattel mortgage in order fully to preserve and protect the security of the holders of the Bonds and all rights of the Trustee.

Section 5.08. The Board covenants and agrees that it will furnish to the Trustee promptly, after the execution and delivery of this Indenture and of each supplemental indenture, an opinion of counsel (who may be of counsel for the Board) stating that in his opinion (a) this Indenture or such supplemental indenture has been filed, recorded and indexed, as set forth in Section 5.07 hereof, or (b) no such action is necessary to make such lien effective.

Section 5.09. 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 Section 11.05 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, and which shall at all times be a corporation organized and doing business under the laws of the United States or of the Commonwealth of Kentucky, with a capital and surplus

of at least One Million and no/100 Dollars (\$1,000,000), and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by Federal or State authority.

Section 5.10. The Board covenants and agrees that it will not go into voluntary bankruptcy or insolvency, or apply for or (subject to the provisions of Section 9.02 hereof) consent to the appointment of a receiver or trustee of itself or of its property or make any general assignment for the benefit of its creditors, or suffer any order adjudicating it to be bankrupt or insolvent or appointing a receiver of it or of its property.

Section 5.11. The Board covenants and agrees 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 income and revenues of the Project, as herein provided, that all corporate and/or other action on its part for the creation and issue of said Bonds and the execution of this Indenture has 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, and that this Indenture is and always will be a valid Indenture of Trust, to secure the payment of said Bonds; and that the Board now has complete and lawful authority and privilege to maintain and operate the Project and that no permits, rights, franchises or privileges of the Board will be allowed to lapse or be forfeited so long as the same shall be necessary for the operations of the Board; provided, however, that the expiration by lapse of time of any right, franchise or privilege shall not constitute a violation of this covenant, but the Board hereby expressly covenants that it will exercise its best efforts and any and every proper means to procure extension or renewal of each and every right, franchise or privilege so expiring and necessary or desirable for the operation of the Project or for the operations of the Board.

Section 5.12. The Board covenants and agrees that it will not issue, or permit to be issued, any Bonds 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 thereto.

Section 5.13. The Board will maintain an office or agency while any of the Bonds are outstanding at each place at which the principal of or interest on any of the Bonds shall be payable, where notices, presentations and demands to or upon the Board in respect of this Indenture or of such Bonds or coupons as may be payable at such places may be given or made, and will give the Trustee written notice of the location of and any change in the location of each such office or offices, agency or agencies. In case the Board shall at any time fail to designate and maintain any such office or offices, agency or agencies, the principal office of the Trustee shall be conclusively deemed to be the office or agency of the Board for all such purposes, and the Board hereby appoints the Trustee its agent on its behalf to receive all such notices, presentations and demands.

The Board covenants and agrees to keep Books at the office of the Trustee for the transfer and registration of Bonds as hereinbefore provided. The Trustee shall be under no duty with respect to any presentation, demand or notice served upon it except such duty, if any, with respect thereto as may exist by reason of any other of the provisions of this Indenture.

Section 5.14. The Board covenants and agrees that it will do and perform all matters or things necessary or expedient to be done or performed by reason of any law of the United States of America, or of any State or States thereof, or of any competent authority, for the purpose of creating, performing and maintaining the trust hereby created for the security of the payment of the Bonds and the interest thereon, and to perform all of the obligations hereby imposed upon the Board.

Section 5.15. The Board covenants and agrees upon completion of the Project, to provide from sources other than the proceeds of the sale of the Bonds secured hereby and from sources other than the funds pledged hereunder and in a manner which will not jeopardize the security of the Bonds, the furnishings and equipment necessary to the full enjoyment of the use and occupancy of the Project.

Section 5.16. The Board covenants and agrees that it will establish and maintain so long as any Bonds are outstanding under this Indenture such parietal rules, rental rates, and charges for the use of the Project facilities as may be necessary (1) to assure maximum occupancy of the Project, (2) to pay the interest on and principal of the Bonds as they respectively mature, to provide the required reserves therefor and the Maintenance Fund, and that it will set up and maintain reserves specifically required hereunder, and such further reserves as may be reasonable, with respect to the operation of the Project, for maintenance, depreciation, and other reserves customarily provided for in the accounting of business corporations for profit.

The Board further covenants and agrees that while any of the Bonds are outstanding hereunder, it will if necessary provide all replacements of furniture and movable equipment from funds other than the revenue derived from the operation of the Project.

Section 5.17. The Board covenants that there shall be no free use or occupancy of the Project so long as any of the Bonds hereunder are outstanding.

Section 5.18. The Board covenants that it will keep accurate financial records and proper books relating to the Project, and such records and books shall be open to inspection by the Bondholders and their agents and representatives. It further covenants that not later than 90 days after the close of each fiscal year it will furnish to the Trustee and any Bondholder who shall request same copies of annual reports prepared by either the University Treasurer or appropriate State official, reflecting in reasonable detail the financial condition and record of operation of the Project and the University.

ARTICLE SIX
DEPOSITORIES OF MONEYS, SECURITY OF DEPOSITS
AND INVESTMENT OF FUNDS

Section 6.01. All moneys deposited with the Trustee or any other bank or banks under the provisions of this Indenture shall be trust funds under the terms hereof 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.

All moneys deposited with the Trustee or any other bank or banks hereunder shall be continuously secured, for the benefit of the Board and the holders of the Bonds, either (a) by lodging with a bank or trust company approved by the Treasurer of the Board as custodian, as collateral security, direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) by lodging with a bank or trust company approved by the Treasurer of the Board as custodian, as collateral security, such other or different bonds, securities or investments as may be approved in writing by the holder or holders of all of the Bonds, or (c) as to all or any part of such deposit, by lodging with the Treasurer of the Board the indemnifying bond or bonds of a surety company or companies qualified as surety for United States Government deposits and qualified to transact business in the Commonwealth of Kentucky in a penal sum not less than the amount of moneys so deposited or such part thereof, such bond or bonds to be approved in writing by the Treasurer of the Board, or (d) if the furnishing of security as provided in clause (a) of this Section is not permitted by applicable law, then in such manner as may then 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; provided, however, that it shall not be necessary for either of the Paying Agents to give security for the deposit of any moneys with it for the payment of the principal of or the interest on any Bonds issued hereunder.

Section 6.02. Moneys held for the credit of the Sinking Fund and the Maintenance Fund shall be invested by the Trustee, if so directed by resolution of the Board, in direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States Government, or in such other different bonds, securities or investments as may be approved in writing by the holder or holders of all of the Bonds. Obligations, bonds, securities and investments so purchased shall be deemed at all times to be a part of the Sinking Fund and the Maintenance Fund, respectively, and the interest, dividends and income accruing thereon, and any profit realized from such investment shall be credited to the Sinking Fund and Maintenance Fund, respectively. The Trustee shall sell at the best price obtainable any obligations, bonds, securities or investments so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment from the Sinking Fund or Maintenance Fund. Neither the Trustee nor the

Board shall be liable or responsible for any loss resulting from any such investment.*

ARTICLE SEVEN

CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

Section 7.01. A fund is hereby created and designated "University of Kentucky 1956 Housing Construction Fund of 1956, Shawneetown," (herein sometimes called the "Construction Fund"), to the credit of which there shall be deposited, as received, the proceeds of the Bonds, with the exception of accrued interest, if any, received from the purchaser or purchasers of the Bonds, and if requested by the original purchaser of the Bonds, a further sum equal to interest which will accrue on the Bonds during the construction period, which sums may be required by Section 4.02 hereof to be deposited in the Sinking Fund. The moneys in the Construction Fund shall be held in trust and applied to the payment of the costs of the Project 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 Bonds issued and outstanding under this Indenture and shall be held for the further security of such holders until paid out as herein provided.

Section 7.02. The Board covenants and agrees that prior to the awarding of any contract for the construction of the Project or any part thereof, it will deposit or cause to be deposited in the Construction Fund, from sources other than Bond proceeds and from sources and in a manner that will not jeopardize the security pledged to the payment of the principal of and the interest on the Bonds, such amount of its own funds as, together with the Bond proceeds, will assure payment of all costs of constructing the Project.

Section 7.03. For the purposes of this Article the cost of the Project shall include, without intending thereby to limit or restrict or extend any proper definition of such cost under any applicable laws or under this Indenture, the following:

- (a) obligations incurred for labor and to contractors, builders and materialmen in connection with the construction of the Project;
- (b) the interest accruing upon the Bonds prior to the commencement of and during the construction of the Project;
- (c) the fees and expenses of the depository or depositories of the Construction Fund during construction, and premiums on insurance in connection with the Project during construction, unless such insurance during construction is carried by the respective contractors and builders pursuant to the terms of their respective construction contracts;
- (d) 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 construction of the Project or in connection with the issuance therefor;

(e) expense of administration properly chargeable to the Project, legal expenses and fees, financing charges, advertising expenses, cost of printing bonds, cost of audits and of issuing the Bonds and all other items of expense not elsewhere in this Section specified, incident to the construction of the Project and placing it in operation, specifically including the sum of Seven Thousand Five Hundred Dollars (\$7,500) which is the agreed fixed fee of the Housing and Home Finance Agency of the United States Government in supervising and inspecting the work appertaining to the development of the Project and of auditing the books, records and accounts pertaining to the Project as set forth in Section 5 of a certain Loan Agreement between the Board and the United States of America, dated as of July 1, 1956;

(f) any obligation or expense heretofore or hereafter incurred by the Board or by any other Agency of the Commonwealth of Kentucky for any of the foregoing purposes, including the repayment of any advances made by the United States of America, with interest thereon, as provided in and by the Loan Agreement identified in the foregoing sub-paragraph (e).

Section 7.04. Before any payment shall be made by any depository from the Construction Fund, there shall be filed with such depository a requisition for such payment signed by the President and Comptroller of the University of Kentucky, acting for that purpose as agents of the Board, stating each amount to be paid, the name of the person, firm or corporation to whom payment is due, and the purpose for which the obligation was incurred, and certifying:

(1) that obligations in the stated amounts have been incurred and are a proper charge against the Construction Fund and have not been paid;

(2) that, so far as they are aware, there has not been filed with or served upon the Board or any proper officer or agent of the University, notice of institution of any claim or legal proceeding challenging the legality of any proceedings theretofore had in connection with the authorization, issuance, sale and delivery of Bonds pursuant to this Indenture, or challenging the right or authority of the Board or University with respect to the application of moneys in the Construction Fund to the costs of constructing the Project, or claim or asserting any lien or other legal right to perfect a lien upon the Project or any moneys in the Construction Fund, except such claims, actions, liens or asserted rights as have been released or will be released simultaneously with the payment of the obligations identified in such certificate;

(3) that in so far as any obligation mentioned in such requisition was incurred for work, materials, supplies or equipment in

connection with the construction of the Project, such work was actually performed, or such materials, supplies or equipment was actually delivered or installed at the site of the Project for that purpose, or delivered for fabrication at a place approved by the President of the University and by the Engineer having supervision of the construction of the Project; and

(4) that the amount which will remain in the Construction Fund after payment of the obligations mentioned in such requisition, plus an amount equal to the proceeds to be derived from the sale of any Bonds authorized under this Indenture, but not theretofore issued, will be sufficient to pay all costs of the Project.

Section 7.05. All requisitions received by any depository of the Construction Fund as required in this Article shall be retained in the possession of said depository, subject at all times to inspection by the Board, any officer or agent of the Board or of the University, any other officer or agent or agency of the Commonwealth of Kentucky, representatives or agents of the Housing and Home Finance Agency of the United States of America and any other interested person.

Section 7.06. When the Project shall have been completed and equipped and opened for use and occupancy, a certificate to that effect shall be signed by the President and Comptroller of the University and by the Engineer having supervision of construction of the Project so stating, accompanied by an opinion of Counsel that an examination of the appropriate public records reveals no uncanceled liens or claims or liens of mechanics, laborers, contractors or materialmen with respect to the Project, and that, in the opinion of such Counsel, the time within which such liens (whether legally permissible or not) can be filed, has expired. Any balance remaining in Construction Fund after the filing of such certificate and opinion with the Board and not necessary in the opinion of the Board to be reserved by it for the payment of any remaining part of the costs of the Project shall be deposited with the Trustee to the credit of the Sinking Fund, and, except for any portion of such balance remaining under \$1,000 shall be used by the Trustee for the redemption of Bonds then outstanding under this Indenture, and in accordance with the redemption provisions set forth in said Bonds and in this Indenture upon the earliest permissible redemption date. The Trustee may take such action to redeem outstanding Bonds as soon as redemption is legally permissible after the transferring of moneys from the Construction Fund to the Sinking Fund, and without specific authorization on the part of the Board; but the Trustee shall in any event report its actions in the connection promptly to the Board and to the President of the University.

ARTICLE EIGHT

SUPPLEMENTAL INDENTURES

Section 8.01. The Board and the Trustee, from time to time and at any time, subject to the restrictions in this Indenture contained, may, and when so required by this Indenture shall, enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable for any one or more of the following purposes, among others:

- (1) To add to the covenants or agreements of the Board for the protection of the Bondholders and of the trust estate other and additional covenants and/or agreements;
- (2) To evidence the succession of another corporation to the Board or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Board in the Bonds hereby secured and in this Indenture and in any and every supplemental indenture contained; and
- (3) For any other purpose not inconsistent with the terms of this Indenture, and which shall not impair the security of the same, or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any supplemental indenture.

Section 8.02. The Trustee is authorized to join with the Board in the execution of any supplemental indenture, to make the further agreements and stipulations which may be therein contained.

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

Section 8.03. Any and every such supplemental indenture entered into as required or permitted by the provisions of this Article, 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.

ARTICLE NINE

REMEDIES

Section 9.01. In case the time for the payment of any coupon shall be extended, whether or not such extension be by or with the consent of the Board, such coupon shall not be entitled in case of default hereunder to the benefit or security of this Indenture except subject to the prior payment in full of the principal of all Bonds then outstanding and of all coupons the time for the payment of which shall not have been extended.

Section 9.02. 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 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 the Project; or

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

(e) the Project 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 Project 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 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 per centum (15%) in principal amount of the Bonds then outstanding.

Section 9.03. Upon the happening and continuance of any event of default specified in Section 9.02 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 per centum (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 notwithstanding;

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 the Indenture, moneys shall have accumulated in the 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 per centum (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.

If the principal of the Bonds shall be declared due and payable as hereinabove provided, the Board covenants and agrees to pay the principal of such Bonds and the interest thereon (solely from moneys in the Sinking Fund and the income of the Project pledged to the payment of the Bonds by this Indenture) to the Trustee as trustee of an express trust for the Bondholders.

Section 9.04. Upon the happening and continuance of any event of default specified in Section 9.02 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 per centum (15%) in principal amount of the Bonds then outstanding hereunder shall proceed, subject to the provisions of Section 9.08 of this Indenture, 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 with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other rights 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 interests, costs and expenses, and to collect (solely from moneys in the

Sinking Fund and Maintenance Fund and the income of the Project in the Revenue Fund pledged to the payment of the Bonds by this Indenture) in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 9.05. If at any time the moneys in the Sinking Fund and the Maintenance Fund shall not be sufficient to pay the principal or the interest on the Bonds as the same become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 9.03 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purposes, whether through the exercise of the remedies in this Article provided for or otherwise, shall be applied as follows:

- (a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied

first: to the payment to the persons entitled thereto of all installments of interest then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

second: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or preference; and

third: to the payment of the interest on and the principal of the Bonds and to the redemption of Bonds, all in accordance with the provisions of Article Nine of this Indenture.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority or principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

(c) If the principal of all of the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 9.03 of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys then remaining in and thereafter accruing to the Sinking Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

The provisions of this Section are in all respects subject to the provisions of Section 9.01 of this Article.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of such moneys with the banks or trust companies at which the Bonds shall be payable, or otherwise setting aside such moneys, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Board, to any Bondholder or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the holder of any unpaid coupon or any Bond until such coupon or such Bond shall be surrendered to the Trustee for appropriate endorsement.

Section 9.06. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Board, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 9.07. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 9.08 of this Indenture, 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 9.08. No holder of less than all of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder unless such holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be taken, nor unless the holders of not less than ten per centum (10%) in principal amount of the Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, nor unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or for any other remedy hereunder. It is understood and intended that no holder of less than all the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of such outstanding Bonds and coupons.

Section 9.09. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee or by the holder of the Bonds, may be enforced by the Trustee or by such holder without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof 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.

Section 9.10. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds 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.

Section 9.11. 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 the holders of the Bonds, respectively, may be exercised from time to time and so often as may be deemed expedient.

The Trustee may, and upon the written request of the holders of not less than fifteen per centum (15%) in principal amount of the Bonds then outstanding shall, waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

Section 9.12. The Trustee shall mail to the registered owners of the Bonds then outstanding at their addresses as they appear on the registration books, and to all other Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any event of default set forth in clause (a) or in clause (b) of Section 9.02 of this Article within thirty (30) days after any such event of default shall have occurred. If any year ending October 1 the total amount of deposits to the credit of the Sinking Fund shall be less than the amounts required so to be deposited under the provisions of Article FOUR of this Indenture, the Trustee, on or before the first day of November following the end of such year, shall mail to the registered owners of the Bonds then outstanding at their addresses as they appear on the registration books, and to all other Bondholders who shall have filed their names and addresses with the Trustee for such purposes, written notice of the failure to make such deposits. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any notice required by this Section.

ARTICLE TEN

RELEASE AND DISCHARGE OF INDENTURE

Section 10.01. Whenever the Board shall pay, or cause to be paid, the principal and interest due and to become due upon all the Bonds hereby secured and then outstanding, or shall provide for full payment thereof by depositing with the Trustee hereunder, for the discharge of such Bonds, coupons and for interest payments, the entire amount due and to become due thereon for principal and interest, 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, or a written instrument executed by the Board under its corporate seal and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the Board, together with the moneys necessary to pay the cost of giving such notice, and shall pay the Trustee in full for all services

rendered by it hereunder, and all lawful claims accruing to it by virtue of this instrument, and shall well and truly keep and perform all of the things herein required to be kept and performed by it, according to the true intent and meaning of this Indenture, then and in that event these presents and the trust hereby created shall cease and terminate, and future payments from the revenues hereby pledged to the Trustee shall thereupon cease, terminate and become void, except as to the moneys deposited for payment of principal and interest due or to become due on said Bonds and coupons which shall be held by the Trustee and shall be applied by said Trustee to the payment of such Bonds and coupons upon the presentation and surrender thereof. Any deposit of money 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 on the Bonds and/or coupons for payment of which such deposit shall be made, and in case of full payment of all the Bonds, interest payments and/or 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, interest payments and/or coupons, and the discharge of all other obligations on the part of the Board, as herein provided, the Trustee, in either case, if the Trustee first shall have received:

- (1) A certificate of the Chairman and the Treasurer of the Board stating that the conditions precedent to the release and discharge of this Indenture have been complied with, and
- (2) An opinion of Counsel stating that in his opinion the conditions precedent to the release and discharge of this Indenture have been complied with,

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.

Section 10.02. Whenever the Board shall present to the Trustee for cancellation all Bonds (with all coupons thereunto appertaining), which have been authenticated by the Trustee and delivered to or upon the direction of the Board, and have not previously been paid or redeemed, or otherwise retired and cancelled, and shall request the Trustee upon cancellation of such Bonds and coupons to acknowledge satisfaction and termination of this Indenture, and shall pay the Trustee in full for all services rendered by it hereunder and all lawful claims accruing to it by virtue of this instrument, then and in that event the trustee, if the Trustee first shall have received the certificate and the opinion mentioned, respectively, in paragraphs (1) and (2) of Section 10.01 of this Article, shall execute and deliver to the Board all proper instruments that may be necessary to evidence the satisfaction and termination of this Indenture.

Section 10.03. The satisfaction and discharge of this Indenture pursuant to Section 10.01 and 10.02 of this Article shall be without prejudice to the right of the Trustee to be paid any compensation then due it 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 ELEVEN

CONCERNING THE TRUSTEE

Section 11.01. 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 trust 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 trusts hereof, and the Board covenants and agrees to repay upon demand all such outlays and expenditures so incurred.
- (b) Except for the responsibility incident to authentication of the Bonds, the Trustee shall not be responsible for any recitals herein or in said Bonds, or for insuring the Project or collecting any insurance moneys, or for the execution of this Indenture or of any supplemental indenture or instrument of further assurance or for the validity thereof or for the affixing or cancellation of any revenue stamps, 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 any part of the Project, or for the payment of or for keeping down taxes, charges, assessments or liens upon the same, or otherwise 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 Project.
- (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. The Trustee shall

not be obliged to pay interest on such moneys, save such as it shall agree to pay thereon. Holders of Bonds and/or coupons shall not be entitled to interest on funds deposited for payment of such Bonds, interest payments and/or coupons. The Trustee may become the owner of Bonds and 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 bound 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 of the same Bond and upon Bonds issued in exchange therefor or in place thereof.
- (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 think 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 the form therein set forth has been adopted by the Board, or its Executive Committee, 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 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 believed by it to be within the discretion or power conferred upon it by this Indenture, and the Trustee shall be answerable only for its own acts, receipts, neglects and defaults, nor for any loss unless the same shall happen through neglect or negligence.
- (h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the holders of at least five per cent (5%) in principal amount of the Bonds hereby secured and then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of such Trustee.
- (i) 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 Project, including all books, papers and contracts of the Board and University, and to take such memoranda from and in regard thereto as may be desired.
- (j) 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 of the premises.
- (k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property or securities, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, and by the Trustee deemed desirable for the purpose of establishing the right of the Board to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee. The Trustee shall not be required, except as otherwise herein provided, to authenticate any Bonds, permit the withdrawal of any cash, or take any other action if at the time there exists to its knowledge any default in respect of any of the covenants, agreements or provisions of this Indenture.

Section 11.02. The Trustee shall have a first lien hereunder upon the pledged funds for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense of defending against any liability in the premises of any character whatsoever, and the Board hereby covenants and agrees to pay

unto the Trustee reasonable compensation for its services in the premises as well as all advances, counsel fees and other expenses reasonably made or incurred in and about the execution of the trusts hereby created. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of a trustee of an express trust.

Section 11.03. The Trustee may at any time resign and be discharged of the trusts hereby created by mailing written notice to the Board or to the President of the University 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 published in New York, 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 hereinafter provided in Section 11.05 of this Article and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

Section 11.04. 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 11.05. 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 case of any such event the Board by an instrument executed by order of its Board of Trustees, and 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. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank of the character specified in Section 5.09 hereof.

Section 11.06. 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 further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estate, properties, rights, powers, and trusts of such predecessor hereunder; and

every predecessor Trustee shall deliver all securities and moneys held by it to its successor. Should any deeds, conveyance or instrument of writing from the Board be required by any successor for more fully and certainly vesting in such Trustee the estates, rights, powers and duties hereby vested or intended to be vested, in the predecessor Trustee, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board.

ARTICLE TWELVE

MISCELLANEOUS PROVISIONS

Section 12.01. In case the principal of any of the Bonds shall not be punctually paid when due at maturity, whether by declaration or lapse of time, and/or in case any installment of interest thereon shall not be punctually paid when due, then upon deposit with or receipt by the Trustee of moneys sufficient to pay such overdue principal and/or installments of interest (together with moneys sufficient to pay interest due and to become due thereon up to the date when interest upon such overdue principal and/or installment or installments of interest shall cease as herein provided), interest on such overdue principal and/or installment or installments of interest thereon shall cease to accrue one week after the mailing of notice, stating that said moneys have been so deposited or received, to each registered owner of Bonds, or if all of the outstanding Bonds are not registered as to principal, then one week after the date of publication by the Board of such notice in a financial publication published in the English language in the Borough of Manhattan, City and State of New York. A copy of such notice shall be delivered by the Board to the Trustee prior to the mailing or publication thereof and the Trustee shall mail a copy of such notice to registered owners of Bonds, but notwithstanding failure so to mail such notice, in case of the publication thereof, interest shall nevertheless cease to accrue as above provided.

Section 12.02. (a) 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 thereof, 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 in trust for the purpose, or left with it if previously so deposited, funds sufficient to pay the principal of 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, for the use and benefit of the holder thereof, then and in every such case, interest on said Bond or on said unpaid coupon, 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, as long as the funds deposited or left on deposit for the payment thereof shall remain on deposit with the Trustee, be restricted exclusively to said funds for any claim of whatsoever

nature on the part of such holder under this Indenture or on said Bond or any coupons appertaining thereto, or on said unpaid coupon.

(b) In case the holder of any Bond or coupon shall not within six (6) years after such Bond or coupon, as the case may be, shall have become due and payable, and funds for the payment thereof shall have been deposited with the Trustee, claim the amount deposited pursuant to subsection (a) of this Section for the payment thereof, or in case the holder of any Bond or coupon shall not, within six (6) years after the deposit or receipt of moneys under Section 12.01 of this Article, claim the amount so deposited, the Trustee shall upon demand pay over to the Board such amount so deposited if the Board is not at the time in default hereunder to the knowledge of the Trustee. The Trustee shall be free from any and all liability or responsibility for money so paid over by the Trustee, and the Board shall be liable to the holder of such Bond or coupon only to the extent of the Funds so returned to it.

Section 12.03. Except as in this Section otherwise expressly provided, the holders of sixty-five per cent (65%) or more in principal amount of the Bonds at any time outstanding shall have the power, by an instrument or instruments in writing signed by such holders in person or by their duly authorized agents or attorneys or by a committee constituted by an agreement to which any portion of the Bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or alteration of this Indenture or any indenture supplemental hereto or the rights and obligations of the Board under this Indenture or of the holders of Bonds and coupons issued under this Indenture in any particular, approved by the Board, including without limitation by reason of the foregoing (1) release from the statutory mortgage lien of any part of the Project covered thereby, and (2) waiver of any default and of any rights arising by reason of any default under any of the provisions of the Indenture; and any action herein authorized to be taken with the assent or authority, given as aforesaid of the holders of sixty-five per cent (65%) or more in principal amount of the Bonds at the time outstanding shall be binding upon the holders of all of the Bonds then or from time to time thereafter outstanding under the Indenture as fully as though such action were specifically and expressly authorized by the terms of the Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Board to pay the principal of and interest on the Bonds at the respective dates and at the places and in the respective amounts, as provided in the Bonds, (b) shall give to any Bond or Bonds secured by the Indenture any preference over any other Bond or Bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the said statutory mortgage lien, (d) shall deprive any Bondholder of the security afforded by this Indenture, or (e) shall reduce the percentage required by the provisions of this Section for any action under this Section. Any modification of the provisions of the Indenture, made as aforesaid, shall be set forth in a supplemental indenture between the Trustee and the Board in the manner provided in Article Seven.

Section 12.04. Whenever in this Indenture the holders of a percentage or fraction of the Bonds or of the principal amount of the Bonds, or the Bonds outstanding, are given or granted any power, right or authority to do any act or thing, and/or to direct or consent that any act or thing be done in respect of this Indenture, the Bonds secured hereby and/or the funds

pledged hereunder, or property subject to the statutory mortgage lien, such percentage or fraction in each case shall be exclusive of Bonds owned by the Board, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Board, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction or consent, only Bonds which the Trustee knows are so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding for the purpose of this Section, if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with the Board. In case of a dispute as to such right any decision of the Trustee taken upon the advice of counsel shall be full protection to the Trustee, and the Trustee may accept a certificate of the Chairman and Treasurer as to the amount of the Bonds held directly or indirectly by or for the benefit of the Board, and shall be liable to no one for acting in reliance thereon.

Section 12.05. 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 12.06. 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, 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.

Section 12.07. The Board and the Trustee agree, and each holder or owner of any Bond or coupon by his acceptance thereof shall be conclusively deemed to have agreed, that any court may in its discretion require in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than ten per cent (10%) in principal amount of the Bonds outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on any Bond, on or after the respective due dates expressed in such Bond.

Section 12.08. Any request, declaration or other instrument required or permitted by this Indenture to be signed and executed 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 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 and otherwise hereunder with regard to due action taken by the Trustee under such request or other instrument, if made in the following manner:

The fact and date of the execution by any person of any such request or other instrument or writing may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the place where such acknowledgments are taken, that the person signing such request or other instrument acknowledged to him the execution thereof, or by any affidavit of a witness to such execution. The amount of interest coupons held by any person executing such request or other 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 a certificate executed by any trust company, bank, bankers, 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 12.09. The descriptive headings of the various Articles of this Indenture were formulated, used and inserted in this Indenture for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 12.10. This Indenture may be simultaneously executed in any number of counterparts, and all said 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.

Section 12.11. If there should be any misapplication of the proceeds of the Bonds, such misapplication shall not affect the validity of the Bonds.

Section 12.12. If any section, paragraph, clause or provision of this Indenture shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Indenture.

Section 12.13. If it should ever be held that the Board does not have the right to issue Bonds without coupons, as provided herein, or that any Bonds without coupons which have been issued are invalid to any extent, such Bond or Bonds without coupons shall nevertheless be conclusive evidence of the payment of the purchase price for the coupon Bonds which they represent, and all holders of any and all Bonds without coupons issued hereunder upon the surrender thereof shall receive for his or their Bonds without coupons an equivalent amount of coupon Bonds as provided hereunder, the intent of this provision being that no loss or injury to any extent will be suffered by any holder and owner of any Bonds issued hereunder because of any Bonds without coupons having been actually issued instead of coupon Bonds.

ARTICLE THIRTEEN

IDENTIFICATION OF THE PROJECT

Section 13.01. The "Project" as defined in Section 1.01 hereof and as referred to throughout this Indenture, is hereby identified as 6 new buildings and all appurtenances thereto, to be constructed by the Board pursuant to plans and specifications prepared by Brock and Johnson, Architects, Lexington, Kentucky, upon a portion of the campus of the University in the City of Lexington, Fayette County, Kentucky, described as follows:

Beginning at an existing fence corner in the west property line of the University of Kentucky Experiment Station Farm that is 825 feet north of Shady Lane; thence in an easterly direction with the fence 357 feet to a point; thence in a northeasterly direction with the fence 267 feet to a point; thence continuing with the fence north 384 feet to a point; thence northeast with the fence 123 feet to a point; thence in a northerly direction with the fence 116 feet; thence northeast following the fence 203 feet to a point; thence north and along the fence for a part of the way 500 feet to a point in a second fence line; thence northwest with the second fence line a distance of 506 feet to a point in the west property line of the University of Kentucky Experiment Station Farm; thence in a southerly direction along said line and with the fence thereon a distance of 1588 feet to the point of beginning; being a part of the same property conveyed to the University of Kentucky from Katherine Pettit by deed dated March 29, 1924, and of record in Deed Book 224, page 4, in the office of the Clerk of the Fayette County Court.

IN WITNESS WHEREOF, the party of the first part has caused its corporate name to be hereunto subscribed by the Chairman or the Vice Chairman of its Board of Trustees and its corporate seal to be hereto affixed, and said seal to be attested and this Indenture to be countersigned by the Secretary or Assistant Secretary of its Board of Trustees, and said Farmers Bank and Capital Trust Company 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, and its corporate seal to be

hereto affixed and said seal to be attested and this Indenture to be countersigned by its Trust Officer, all as of the day and year first above written, but actually on this _____ day of _____, 1957.

BOARD OF TRUSTEES OF THE UNIVERSITY
OF KENTUCKY

By _____
_____ Chairman.

(SEAL)

ATTEST:
Countersigned:

Secretary.

WITNESSES TO THE EXECUTION HEREOF BY
SAID BOARD OF TRUSTEES:

FARMERS BANK AND CAPITAL TRUST
COMPANY,

By _____
_____ President.

(SEAL)

ATTEST:
COUNTERSIGNED:

Trust Officer

WITNESSES TO THE EXECUTION HEREOF BY
SAID TRUSTEE:

STATE OF KENTUCKY)
) SS
 COUNTY OF FAYETTE)

On this _____ day of _____, 1957, before me, _____, a Notary Public in and for said County in the State aforesaid, appeared _____ and _____, to me personally known and to me known to be the _____ Chairman and _____ Secretary, respectively, of the Board of Trustees of the University of 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 _____, is the _____ Chairman of said Board of Trustees, and he, the said _____, is the _____ Secretary of said Board of Trustees of University of Kentucky; 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 Trustees; and said _____ and _____ each acknowledged the execution of said instrument to be and said instrument to be the free and voluntary act and deed of said corporation by it voluntarily executed.

WITNESS my hand and notarial seal this _____ day of _____, 1957.

 Notary Public in and for the County and
 State aforesaid.

(Seal of Notary)

My commission expires _____.

STATE OF KENTUCKY)
) SS
 COUNTY OF FRANKLIN)

On this _____ day of _____, 1957, before me, _____, a Notary Public in and for said County in the State aforesaid, appeared _____ and _____, to me personally known and to me known to be the _____ and Trust Officer, respectively, of Farmers Bank and Capital Trust Company, 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 _____, is the _____ of said corporation, and he, the said _____, is Trust Officer 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 _____ and _____ 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.

WITNESS my hand and notarial seal this _____ day of _____, 1957.

Notary Public in and for the County
and State aforesaid.

(SEAL OF NOTARY)

My commission expires _____

(End of Form of Indenture)

Section 5. Simultaneously with the delivery of any of said Bonds to the purchaser or purchasers thereof, from time to time, disposition shall be made of the proceeds as provided in said Indenture.

Section 6. This Resolution shall be in full force and effect from and after its adoption.

Section 7. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Adopted by the Board of Trustees of the University of Kentucky at a meeting held on September 17, 1957.

Chairman of Board of Trustees
of the University of Kentucky

(SEAL)

ATTEST:

Secretary

and moved that all rules be suspended and that said proposed Resolution be adopted, which Resolution was duly seconded by Member Harper Gatton, and said motion having been duly considered, the Chairman of the Board of Trustees put the question, and upon roll being called the following voted:

Aye: A. B. Chandler, R. P. Hobson, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Carl Dempewolfe, Ben Butler, J. Stephen Watkins, W. F. Foster, Dr. Daniel C. Elkin, Robert R. Martin, Louis Cox, Robert C. Stilz, Dr. Harry Denham, Harper Gatton and Wood Hannah, Sr.

Nay: None.

Whereupon the Chairman of the Board of Trustees declared the said motion duly carried and said Resolution duly adopted.

D. Bond Issue (468 Rose Street) Authorized, and Delegation of Full Power and Authority to Executive Committee.

Mr. Peterson stated that, by authority of the Board of Trustees, an irrevocable offer to purchase had been executed to the Delta Delta Delta Sorority, 468 Rose Street, for the purchase of their house and lot, with addition thereto, in the sum of \$100,000. The Delta Delta Delta Sorority is now ready to sell their property to the University and make transfer. Mr. Peterson stated that this property would be used as a small dormitory to house students. He recommended that a resolution be approved for the issuance, sale and delivery of dormitory bonds to pay the cost of acquiring the property, and that the Executive Committee be granted full power and authority to take all additional necessary or desirable steps in connection with the issuance and sale of dormitory revenue bonds (468 Rose Street) of the University of Kentucky.

Whereupon J. Stephen Watkins introduced and caused to be read in full a Proposed Resolution entitled

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF DORMITORY REVENUE BONDS (468 ROSE STREET) TO PAY THE COST (NOT OTHERWISE PROVIDED) OF ACQUIRING DORMITORY FACILITIES AT 468 ROSE STREET, LEXINGTON, KENTUCKY.

WHEREAS, the University of Kentucky and its students are not now being provided with adequate buildings for educational purposes, and, in order to provide same, it is necessary that the University acquire dormitory facilities at 468 Rose Street, in Lexington, Kentucky, and hereinafter described; and

WHEREAS, said property can be acquired at a cost to the Board of Trustees (in addition to funds otherwise provided) not to exceed \$100,000; and

WHEREAS, under the provisions of Chapter 58 of the Kentucky Revised Statutes, the Board of Trustees of the University of Kentucky, as a governmental agency, is authorized to issue Revenue Bonds, as hereinafter provided, for the purpose of acquiring said property, the buildings thereon, appurtenances and equipment, and authorization of the said project and financing has been given by the State Property and Buildings Commission and by the Department of Finance, as required by law;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY RESOLVES AS FOLLOWS:

Section 1. It is hereby determined that in order to provide the University of Kentucky with additional and needed accommodations for educational purposes it is necessary and desirable that there be acquired the property at 468 Rose Street, in Lexington, Kentucky (hereinafter described), on which is located a building suitable for use and occupancy for dormitory

purposes, at a cost to the University (in addition to funds otherwise provided) not to exceed \$100,000. The said building, appurtenances and equipment are collectively sometimes hereinafter referred to as the Project and are hereby declared to be a "public Project" within the meaning and application of Chapter 58 of the Kentucky Revised Statutes.

Section 2. In order to provide for the payment of the costs and expenses of the Project (not otherwise provided) there shall be and there are hereby ordered to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity and by and through its corporate name, and as a State educational institution and agency, bonds which shall be designated "University of Kentucky Dormitory Revenue Bonds (468 Rose Street)," in the aggregate principal amount of One Hundred Thousand (\$100,000) Dollars, dated November 1, 1957, consisting of One Hundred (100) bonds of the denomination of One Thousand (\$1,000) Dollars each, to be numbered from One (1) to One Hundred (100), both numbers inclusive, bearing interest to be evidenced by coupons attached to each bond and maturing on May 1 and November 1 of each year to the respective maturity dates of principal at a rate or rates to be determined at the time of the receipt and consideration of bids, as hereinafter provided, none of which may exceed 6% per annum. Said bonds shall mature serially and in numerical order on November 1, \$4,000 in each of the years 1958 through 1982, provided, however, that any of said bonds numbered 21 to 100, inclusive, shall be redeemable prior to maturity as a whole or from time to time in part, in the inverse order of their maturity (less than all of a single maturity to be selected by lot), on November 1, 1962, or on any interest payment date thereafter, provided a notice specifying the bonds to be redeemed shall have been on file at the place of payment of the principal and interest at least thirty (30) days prior thereto and provided also that such notice shall have been published at least once not less than thirty (30) days prior to the redemption date, in a newspaper having general circulation throughout Kentucky. In the event of redemption prior to stated maturities in accordance with these provisions, the holder of each bond so redeemed shall be entitled to receive on the specified redemption date the face amount of the bond, together with interest to the redemption date at the applicable coupon rate and together with additional interest in the sum of Thirty (\$30) Dollars if the redemption date is on or prior to May 1, 1967, Twenty (\$20) Dollars if the redemption date is on or after November 1, 1967, but on or prior to May 1, 1972, and Ten (\$10) Dollars if the redemption date is on or after November 1, 1972, to final maturity. All bonds called for redemption as herein provided, funds for the payment of which are duly deposited at the place of payment of principal and interest at or prior to the specified redemption date, shall cease to bear interest from and after such specified redemption date.

Said bonds shall be signed for and on behalf of the Board of Trustees of the University of Kentucky by the Chairman of said Board of Trustees, attested by its Secretary and sealed with its corporate seal, and the interest coupons attached to said bonds shall be executed with the facsimile signatures of said Chairman and said Secretary, and said bonds, together with interest thereon, shall be payable in lawful money of the United States of America at the principal office of Farmers Bank & Capital Trust Company, in the City of Frankfort, Kentucky, but only out of the "Dormitory Revenue Bond and Interest Redemption Fund (468 Rose Street)," hereinafter created, and shall be a valid claim of the holders thereof only against said Fund and the gross

income and revenues of the Project pledged to such Fund. If any officer whose signature, or a facsimile of whose signature, appears on said bonds or coupons shall cease to be such officer prior to the delivery of such bonds, such signature or facsimile signature shall, nevertheless, be valid for all purposes, the same as if such officer had continued to hold such office until such delivery.

Section 3. The aforesaid bonds and coupons shall be in substantially the following form, to-wit:

(Form of Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
DORMITORY REVENUE BOND (468 ROSE STREET)

No. _____

\$1,000.00.

The Board of Trustees of the University of Kentucky, in its corporate capacity and by and through its corporate name and as a State educational institution and agency, for value received, hereby promises to pay to the bearer or, if this bond be registered, to the registered holder hereof, as hereinafter provided, the sum of One Thousand (\$1,000) Dollars on the first day of November, 19_____, with interest thereon from the date hereof until paid at the rate of _____ (%) per cent per annum, payable semi-annually on each May 1 and November 1, 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 principal and interest being payable in lawful money of the United States of America at the principal office of Farmers Bank & Capital Trust Company, in the City of Frankfort, Kentucky.

The right is hereby reserved to call and redeem bonds numbered Twenty-one (21) to One Hundred (100), inclusive, of the series of which this bond is a part prior to stated maturities, in whole or from time to time in part, in the inverse order of their maturity (less than all of a single maturity to be selected by lot) on any interest payment date on or after November 1, 1962, provided a notice specifying the bonds to be redeemed shall have been on file at the place of payment of the principal and interest at least thirty (30) days prior thereto and provided also that such notice shall have been published at least once not less than thirty (30) days prior to the redemption date, in a newspaper having general circulation throughout Kentucky. Upon the specified redemption date the holder of each bond so redeemed shall be entitled to receive the face amount of the bond, together with interest to the redemption date at the coupon rate and together with additional interest in the sum of Thirty (\$30) Dollars if the redemption date is on or prior to May 1, 1967; Twenty (\$20) Dollars if the redemption date is on or after November 1, 1967, but on or prior to May 1, 1972; and Ten (\$10) Dollars if the redemption date is on or after November 1, 1972, to final maturity. All bonds called for redemption as herein provided, funds for the payment of which are duly deposited at the place of payment of principal and interest at or prior to the specified redemption date, shall cease to bear interest from and after such

specified redemption date.

This bond is issued to finance the cost of acquiring a dormitory building and appurtenances for educational purposes in connection with the University of Kentucky, under and in full compliance with the Constitution and statutes of Kentucky, including, among others, sections 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes.

This bond is payable only from a fixed amount of the gross income and revenues to be derived from the operation of said dormitory building and appurtenances, which will be set aside as a special fund and pledged for that purpose and identified as the "Dormitory Revenue Bond and Interest Redemption Fund (468 Rose Street)," and this bond does not constitute an indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any constitutional provisions or limitations.

This bond is fully negotiable but may be registered as to principal only on the books of the Secretary of the Board of Trustees of the University of Kentucky, such registration to be evidenced by notation thereon on the reverse hereof by said Secretary, after which no transfer of this bond shall be valid unless made on said books at the written request of the registered owner or his authorized representative and similarly noted on the reverse hereof. But this bond may be discharged from registration by being transferred to bearer, and thereafter transferability by delivery shall be restored. Registration of this bond as aforesaid shall not affect the negotiability of the coupons appurtenant hereto, which shall continue to be transferable by delivery merely and shall remain payable to bearer.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and 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 University of Kentucky and of its Board of Trustees, does not exceed any limit prescribed by the Constitution or statutes of Kentucky; that said dormitory building and appurtenances will be continuously operated by said University of Kentucky and that a sufficient portion of the gross income and revenues therefrom has been pledged to and will be set aside into a special account for the payment of the principal of and interest on this bond and the series of which it is a part as the same will respectively become due.

IN WITNESS WHEREOF the Board of Trustees of the University of Kentucky has caused this bond to be signed by its Chairman and its corporate seal to be hereunto affixed, attested by the Secretary, and the coupons hereto attached to be executed with the facsimile signatures of the said Chairman and said Secretary, who, by the signing of this bond, do adopt said facsimile signatures, and each of them, to be their respective authorized and official signatures, all as of the first day of November, 1957.

Chairman, Board of Trustees

(Seal)

Attest:

Secretary, Board of Trustees

(Form of Coupon)

Number _____

\$ _____

(*) Unless the bond to which this coupon is attached
shall have been called for prior redemption.

On the first day of _____, 19____, the Board of Trustees
of the University of Kentucky will pay to bearer
(\$ _____) Dollars out of its "Dormitory Revenue Bond and Interest
Redemption Fund (468 Rose Street)" at the principal office of Farmers Bank
& Capital Trust Company, in the City of Frankfort, Kentucky, as provided
in and for interest then due on its Dormitory Revenue Bond (468 Rose Street),
dated November 1, 1957, Number _____.

Chairman, Board of TrusteesSecretary, Board of Trustees

(*) This redemption legend to appear only upon interest
coupons attached to bonds maturing on and after
November 1, 1963.)

(Form for Registration to Be Printed
on the Back of Each Bond)

Date of Registration	Name of Registered Holder	Signature of Secretary, Board of Trustees
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:

That each of said bonds shall be fully negotiable, provided that upon
presentation at the office of the Secretary of the Board of Trustees of the Uni-
versity of Kentucky of any of said bonds same may be registered as to principal

in the name of the holder thereof on the books of such Secretary kept for that purpose, such registration to be noted on the back of the bonds so registered, and thereafter the principal of the bonds so registered shall be payable only to the registered holder thereof, his legal representatives or assigns. Bonds so registered may be transferred to another registered holder or to bearer, upon presentation to such Secretary with a legal assignment duly acknowledged or proved. Registration of any of such bonds as to principal shall not affect the transferability of the coupons thereto attached, and such coupons shall continue to be transferable by delivery.

Section 4. The Project shall be operated as a revenue-producing undertaking on a fiscal year basis, commencing on November 1 of each year and ending on October 31 of the ensuing year, and on that basis the gross income and revenues of said Project shall be set aside into a separate and special fund designated the "Dormitory Revenue Fund (468 Rose Street)" (hereinafter designated the "Revenue Fund"), and such gross income and revenues shall be sufficient (and shall be revised from time to time, if necessary) to maintain at the specified levels the various special funds hereinafter created.

There shall be and there is hereby created a fund to be known as the "Dormitory Revenue Bond and Interest Redemption Fund (468 Rose Street)," (hereinafter called the "Bond Fund"), into which there shall be set aside from the monies held in the Revenue Fund such amounts as will be sufficient to pay the interest on and principal of the bonds hereby authorized as may be outstanding from time to time. The amount to be set aside into said Fund during each fiscal year so long as any of said bonds remain outstanding shall be not less than as set forth in the following schedule:

<u>During the Fiscal Year</u> <u>Ending October 31</u>	<u>Amount</u>
1958	\$ 8,250
1959	8,080
1960	7,910
1961	7,740
1962	7,570
1963	7,400
1964	7,230
1965	7,060
1966	6,890
1967	6,720
1968	6,550
1969	6,380
1970	6,210
1971	6,040
1972	5,870
1973	5,700
1974	5,530
1975	5,360

1976	\$ 5,190
1977	5,020
1978	4,850
1979	4,680
1980	4,510
1981	4,340
1982	4,170

Provided, however, that the minimum annual amounts to be set aside into said Bond Fund, as set forth in the foregoing schedule, are based upon an arbitrary assumption that when said bonds are publicly sold on a competitive basis a single interest coupon rate of four and one-fourth (4 1/4%) per cent will be established and made applicable thereto, and the minimum amount to be so set aside in each year is sufficient to provide for the payment of the interest coupons maturing on May 1 in such fiscal year and the bonds and coupons maturing on November 1 immediately following the end of such fiscal year. If less than all of the bonds are sold and outstanding or if the interest coupon rates established and made applicable as herein provided are otherwise than four and one-fourth (4 1/4%) per cent for all of the bonds, the minimum annual amounts to be so set aside in said Bond Fund shall automatically be adjusted to such sums as shall be sufficient to accomplish the purposes set forth in this paragraph, without further action by the Board of Trustees or of its Executive Committee.

The amount by which the payments into the Bond Fund in any fiscal year exceed the aggregate amount of interest on and principal of said bonds then currently becoming due shall be held in said Bond Fund as a reserve for contingencies and used solely as herein provided; provided, however, that no further payments need be made into said Bond Fund whenever and so long as such amount of the bonds shall have been retired that the amount then held in the Bond Fund is equal to the entire amount of the principal and interest that is to be paid on all of such bonds then remaining outstanding.

All monies held in the Bond Fund shall be deposited in a bank which is a member of the Federal Reserve System and of the Federal Deposit Insurance Corporation.

The payments hereinabove provided into said Bond Fund from the Revenue Fund shall be made in equal monthly installments on the first day of each month, except when the first day of any such month shall be on a Sunday or a legal holiday, in which event such payment shall be made on the next succeeding secular day. In the event that the monies held in the Revenue Fund in any month shall be insufficient to make the aforesaid payments in full, any such deficiency shall be added to the amounts required to be paid into such Bond Fund in the following month. All the balance then and from time to time remaining in the Dormitory Revenue Fund shall be set aside into an "Operation and Maintenance Fund (468 Rose Street)," hereby created, as herein-after more fully provided. It is hereby determined that no amount is necessary to be placed in any depreciation account for depreciation.

The Bond Fund hereinabove created and described shall be used solely and only for the purpose of paying the principal of and interest on the bonds herein authorized to be issued and is hereby irrevocably pledged for that purpose and shall be used for no other purpose whatsoever.

All monies in such Operation and Maintenance Fund (468 Rose Street) shall be used to defray the proper expenses of operating and maintaining the Project, including an amount sufficient to pay the cost of insurance; provided, however, if a surplus shall be accumulated in said Fund equal to the estimated cost of operating and maintaining the Project for the remainder of the then current fiscal year, and after a like fiscal year in the future, any excess over said amount may be transferred to the Bond Fund and may be applied to the redemption of bonds outstanding pursuant to this Resolution in accordance with their terms.

Section 5. While the bonds authorized hereunder, or any of them, remain outstanding and unpaid, the rents and charges for all services rendered by the Project and fees charged to the students of the University of Kentucky shall be reasonable and just, taking into account and consideration the cost and value of said Project, the cost of maintaining and operating the same, the amounts necessary for the retirement of all bonds and the accruing interest on all bonds as may be sold and are unpaid under the provisions of this Resolution, and there shall be charged against the University of Kentucky such amounts for services rendered by the Project as shall be adequate, together with rents and fees charged to students, to meet the requirements of this and the two preceding sections hereof.

Section 6. The Board of Trustees of the University of Kentucky hereby covenants and agrees with the holder or holders of the bonds hereby authorized to be issued, or any of them, that all duties with reference to said Project required by the Constitution and laws of the Commonwealth of Kentucky will be faithfully and punctually performed, including the charging and collection from the University of Kentucky and its students reasonable and sufficient amounts for services rendered by said Project.

The Board of Trustees of the University of Kentucky further covenants and agrees with the holders of said bonds to maintain in good condition and continuously to operate said Project so long as the principal of or interest on any of the bonds herein authorized remain outstanding and unpaid and to charge and collect reasonable and sufficient amounts as rent and for services rendered by the Project in furnishing educational facilities, to maintain the Bond Fund and the Operation and Maintenance Fund as required by the preceding sections of this Resolution, and the same are hereby pledged for that purpose.

Section 7. Any holder of said bonds or of any of the coupons may, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law, including the charging, collecting and accounting for sufficient rents, student fees and charges, and the segregation and application of the income and revenues as provided by this Resolution.

If there be any default in the payment of the principal of or interest on any of said bonds, then, upon the filing of suit by any holder of said bonds or any of the coupons, any court having jurisdiction of the action may appoint a receiver to administer said Project, with power to charge and collect a sum sufficient to provide for the payment of any bonds or obligations outstanding against said Project and for the payment of the operating expenses, and to apply the income and revenues in conformity with this Resolution and the provisions of said laws of Kentucky aforesaid.

Section 8. The bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues of said Project, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the bonds authorized to be issued under the provisions of this Resolution, regardless of the fact that they may be actually issued and delivered at different times.

Section 9. While any of the bonds herein authorized are outstanding no additional bonds payable from the revenues of the Project shall be authorized or issued unless the lien and security for the payment of such additional bonds are made junior and subordinate in all respects to the lien and security of the bonds herein authorized.

Section 10. So long as any of said bonds are outstanding, the Board of Trustees of the University of Kentucky shall:

- (a) Maintain insurance on the Project against loss or damage by fire, lightning and windstorm in an amount equal to the full insurable value and pay the cost of such insurance from the Operation and Maintenance Fund hereinbefore described;
- (b) Keep proper books of record and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of all transactions relating to said Project, and furnish the original purchaser of said bonds and any subsequent holder of any of the said bonds, at the written request of such holder, complete operating and income statements of the said Project in reasonable detail covering each six months' period, and same shall be available not later than thirty (30) days after the close of each six months' period; and
- (c) Grant to the holder of any of said bonds the right at all reasonable times to inspect the said Project and all records, accounts and data relating thereto.

Section 11. The Secretary of the Board of Trustees is hereby authorized to cause a notice to be published in The Courier-Journal, Louisville, Kentucky, soliciting sealed competitive bids for the purchase of the bonds authorized by this Resolution, the same to be received in the office of the Vice President (Business Administration) of the University until the time of some

meeting of the Board of Trustees or its Executive Committee, at which time such bids will be opened and acted upon. The right to reject bids shall be reserved. No bid offering less than 100% of the par or face value of the bonds shall be given favorable consideration. The Secretary having submitted to the Board a copy of a "Notice of Sale of Bonds," and said instrument having been examined, the same is hereby approved, and a notice substantially in such form may be used in soliciting bids for the purchasing of such bonds. No further authorization by the Board of Trustees or its Executive Committee shall be necessary before the Secretary may publish such notice.

Section 12. That the provisions of this Resolution shall constitute a contract between the Board of Trustees of the University of Kentucky and the holder or holders of the bonds herein authorized to be issued, and after the issuance of any of said bonds no change or alteration of any kind in the provisions of this Resolution may be made until all of the bonds have been paid in full as to both principal and interest or funds sufficient therefor shall have been duly provided and deposited for that exclusive purpose at the place of payment thereof.

Section 13. All of the proceeds of such bonds shall be paid to the Treasurer of the University of Kentucky. There shall be paid all expenses incident to the authorization, issuance and sale of the bonds herein authorized. The other part of such proceeds shall be used to pay the costs of acquiring the properties herein described and the costs of such Project.

Section 14. That if any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder thereof shall remain in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity of such section, paragraph, clause or provision.

Section 15. That all resolutions and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby repealed, and that this Resolution shall take effect from and after its adoption.

Section 16. The site of the said Dormitory Building Project, authorized herein and to be financed through the issuance of the bonds authorized hereby, is described and identified as follows:

Tract No. 1

All that tract or parcel of land in the City of Lexington, County of Fayette and State of Kentucky on the east side of Rose Street beginning on Rose Street 150' north of Columbia Avenue; thence north with the east line of Rose Street 65'; thence back from these two points between parallel lines, throughout of equal width, 180' to a 20-foot alley; being the same property conveyed to Tri Delta Realty Company by two deeds, one from John Hughson and others dated March 12, 1941, and recorded in Deed Book 325, page 451, in the Fayette County Clerk's office, and the other conveyed by Annie Furnell on March 12, 1941, by deed recorded in Deed Book 325, page 475, in the Fayette County Clerk's office.

Tract No. 2

All that tract or parcel of land with improvements thereon known as 466 Rose Street in the City of Lexington, County of Fayette, State of Kentucky, located on the east side of Rose Street in the Clifton Heights Land Company Subdivision as shown by plat of record in the Fayette County Clerk's office in Plat Book 1, page 10. Said lot begins on Rose Street at a point 215' north of Columbia Avenue; running thence along Rose Street in a northerly direction 30'; thence at right angles and in an easterly direction 180' to an alley; thence at right angles and along said alley in a southerly direction 30'; thence at right angles and parallel with Columbia Avenue in a westerly direction 180' to Rose Street, the place of beginning; being part of Lot 4 of said Clifton Heights Land Company Subdivision, being the same property conveyed by Georgia Lawrence to the Tri Delta Realty Company, a corporation, by deed dated April 20, 1949, and recorded in Deed Book 458, page 425, in the Fayette County Clerk's office.

Simultaneously with the receipt of the proceeds of the bonds herein authorized, payment shall be made from such proceeds to acquire such property, and a deed of conveyance of such property will be obtained by the Board of Trustees of the University of Kentucky.

Adopted and approved September 17, 1957.

Chairman
Board of Trustees of the University of
Kentucky.

Attest:

Secretary

and moved that all rules be suspended and that said Resolution be adopted. which motion was duly seconded by Member Robert C. Stilz, and said motion having been duly considered, the Chairman of the Board put the question, and upon roll being called, the following voted: Aye: Governor A. B. Chandler, R. P. Hobson, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Carl Dempewolfe, Ben Butler, J. Stephen Watkins, W. F. Foster, Dr. Daniel C. Elkin, Robert R. Martin, Louis Cox, Robert C. Stilz, Dr. Harry Denham, Harper Gatton and Wood Hannah, Sr. Nay: None.

Whereupon, the Chairman of the Board of Trustees declared the motion duly carried and said motion duly adopted.

Thereupon, Stephen Watkins introduced and caused to be read in full the following proposed Resolution:

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY DELEGATING TO ITS EXECUTIVE COMMITTEE FULL POWER AND AUTHORITY TO TAKE ALL ADDITIONAL NECESSARY OR DESIRABLE STEPS IN CONNECTION WITH THE ISSUANCE AND SALE OF "DORMITORY REVENUE BONDS (468 ROSE STREET)" OF THE UNIVERSITY OF KENTUCKY.

WHEREAS, further action may be necessary in connection with the issuance, sale and delivery of Dormitory Revenue Bonds (468 Rose Street) of the University of Kentucky, and it is deemed advisable and for the best interests of the University of Kentucky that the Executive Committee be given full power to take all action in connection with the sale of such bonds or otherwise which may be necessary or desirable in connection with the foregoing,

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Trustees of the University of Kentucky hereby delegates to the Executive Committee of such Board of Trustees the full right, power and authority to take any and all action or actions which may be necessary or desirable in connection with completing the entire transaction pertaining to the financing of the acquisition of dormitory facilities at 468 Rose Street and the appurtenances thereto and, without limiting the generality of the foregoing, to take any and all action which may be necessary in connection with the authorization, issuance, sale and delivery of \$100,000 of University of Kentucky Dormitory Revenue Bonds (468 Rose Street) and to amend, extend or change any resolution, resolutions or action previously taken by the Board of Trustees with reference to such transaction.

Section 2. That such Executive Committee is hereby authorized and directed to take any and all action which may be necessary or desirable to carry out the intent of the foregoing.

Section 3. That if and when any action is taken by such Executive Committee in connection with such Project, all parties shall have the right to rely upon such action as being equivalent to the action as if same had been taken by the Board of Trustees of the University of Kentucky, and such Executive Committee shall have the right to authorize and complete such financing and such Project upon behalf of such Board of Trustees without any further consideration or approval by the Board of Trustees of the University of Kentucky, it being the intent of this resolution to give such Executive Committee as full and complete power with reference to such Project as if the Board of Trustees were acting upon its own behalf; that, however, the adoption of this resolution shall not prevent the Board of Trustees from taking any action in connection with such Project which it desires to take at any meeting held by the Board of Trustees, but the holding of such a meeting by the Board of Trustees and the

taking of further action by such Board shall not revoke or limit to any extent the powers granted hereunder to such Executive Committee, and such Executive Committee shall continue to have all powers granted to it hereunder until and unless all of such powers are hereafter specifically revoked by the Board of Trustees. That after any or all of such bonds are sold and delivered the Board of Trustees shall not have any further power to revoke any action taken by the Executive Committee in connection with the authorization, issuance and sale of such bonds.

Chairman,
Board of Trustees of the University of
Kentucky.

(Seal)

Attest:

Secretary.

and moved that all rules be suspended and that said proposed Resolution be adopted, which motion was duly seconded by Member Robert C. Stilz, and said motion having been duly considered, the Chairman of the Board of Trustees of the University of Kentucky put the question, and upon the roll being called the following voted Aye: Governor A. B. Chandler, R. P. Hobson, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Carl Dempewolfe, Ben Butler, J. Stephen Watkins, W. F. Foster, Dr. Daniel C. Elkin, Robert R. Martin, Louis Cox, Robert C. Stilz, Dr. Harry Denham, Harper Gatton and Wood Hannah, Sr. Nay: None.

Thereupon, the Chairman of the Board of Trustees declared that such motion had been duly carried and that said resolution had been duly adopted.

E. Annuity Agreement with Mrs. A. Pruitt Payne, 414 East Maxwell Street Authorized.

Mr. Peterson presented agreement between the University of Kentucky (Haggin Fund) and Mrs. A. Pruitt Payne, 414 East Maxwell Street, whereby Mrs. Payne conveys house and lot at 414 East Maxwell Street to the University of Kentucky. The lots have a 100 foot front by 150 foot depth, brick house and garage thereon. The University agrees to pay Mrs. Payne an annuity beginning October 1, 1957, amounting to \$315.00 per month as long as she may live. The University has full control of the property and may retain all income therefrom. Mrs. Payne is an unmarried person in her 84th year.

Mr. Peterson stated that the contract had been drawn by the dean of the Law College and recommended approval of the contract.

The contract was discussed by members of the Board of Trustees, and upon motion duly made, seconded and carried, authorized executed on behalf of the University of Kentucky (Haggin Fund).

F. Interest Adjustment on Notes Issued for Purchase of Hulett Farm.

Mr. Peterson stated that the Executive Committee of the Board of Trustees on February 20, 1956, authorized the purchase of 202 acres of land on the Nicholasville and Higsby Mill pikes, known as the Hulett farm, for a consideration of \$270,000. On April 31, 1956, the Board of Trustees approved the payment of \$70,000 at the time of acceptance of the deed, and the execution of four notes in the amount of \$50,000 each, due January 1, 1957 and January 1, 1958. The notes were to bear interest at 1% per annum. In January, 1957, the University expressed a desire to extend payment date of these notes, to which the holders, Sallie H. Slade and James A. Hulett, agreed, provided the interest rate could be changed from 1% to 4% per annum payable semi-annually from the date of maturity of the notes payable January 1, 1957, and from January 2, 1957, for the notes due January 1, 1958.

This agreement was discussed and approved on behalf of the University by President Frank G. Dickey, Frank J. Welch and Frank D. Peterson, and was accepted by Mr. and Mrs. Slade and Mr. and Mrs. Hulett, representing the second and third parties. Mr. Peterson recommended that the agreement to adjust the interest rate be authorized and approved.

Upon motion duly made, seconded and carried, the agreement entered into January 2, 1957, adjusting the interest rate from 1% to 4% per annum was authorized and approved.

G. Sale of Surplus Property.

Mr. Peterson reported that the College of Engineering had requested permission to sell one Lodge and Shipley lathe, Serial #28127. This lathe is surplus to the needs of the College.

Mr. Peterson also reported that the Dairy Products Center had requested permission to sell 11,500 half-pint used glass milk bottles and about 684 used wire cases for these bottles. He explained that the bottling plant had been converted from using glass milk bottles to using paper cartons and that the above items were surplus to their needs.

Mr. Peterson further reported surplus to the needs of the Dairy Products plant one Cherry-Burrell raw milk filter No. 12 using 16 3/4 x 26 cloth filter sleeves; 40-2 1/2 gallon size tinned metal ice cream cans; and 20 5-gallon size tinned metal ice cream cans.

Mr. Peterson reported request of the Director of the Department of Anthropology to dispose of 500 cubic feet of cardboard surplus to the needs of the department. This material is stored in the Service Building, taking up space, and is no longer needed.

Mr. Peterson recommended that the surplus property listed be authorized sold competitively.

Upon motion duly made, seconded and carried, the recommendation was concurred in and the Vice President for Business Administration was authorized to dispose of the surplus property by receiving competitive bids.

H. Purchase of 518 and 522 Rose Street Property.

Mr. Peterson reported that the Kappa Kappa Gamma Sorority had purchased property known as 518 and 522 Rose Street, having a frontage of 80 feet and a depth of 175 feet with two frame houses there on. The sorority has heretofore deeded this property to the University, with the request that the University build a sorority house on this site through the issuance of revenue bonds. He stated that the University, through its President, had expressed a desire to the sorority that a dormitory not be built on this site. The sorority has agreed to change its plan and locate a site elsewhere. He stated that the Kappa Kappa Gamma sorority representatives were willing to sell the two houses and lots at a price of \$17,500.00 each.

President Dickey and Mr. Peterson joined in the recommendation for the purchase of this property. Members of the Board were familiar with the area involved, and some discussion followed.

Upon motion duly made, seconded and carried, the houses and lots at 518 and 522 Rose Street were authorized purchased for the sum of \$17,500 each, to be paid for from the Haggin Fund and, in so far as possible, liquidated through rentals received from these properties, until a decision is made by the University to raze them.

I. Transfer of Funds.

Mr. Peterson stated that, in order to comply with the Bond Resolution authorizing the issuance of revenue bonds for the construction of Donovan Hall and Keeneland Hall, it becomes necessary to transfer \$67,940.49 from the current general revolving fund to debt retirement fund. He stated that it was necessary to build up a debt reserve in order to comply with bond resolutions applicable. The reserve will eventually be liquidated through income from these halls.

On motion duly made, seconded and carried, the recommendation was concurred in and the sum of \$67,940.49 was authorized transferred from current general revolving funds applicable to Keeneland and Donovan Halls.

Minutes of the Meeting of the Board of Trustees of the
University of Kentucky, September 17, 1957.

J. Budget--Ashland Center.

President Dickey submitted budget for the Ashland Center to cover personal services, other current expenses and capital outlay, aggregating \$105,783.85. He recommended that the budget be authorized and approved. He stated that the income from the operation of the Ashland Center would replace about 3/4 of this appropriation, and recommended that the estimated income of the general University budget be adjusted accordingly.

Upon motion duly made, seconded and carried, the recommendation of the President was concurred in and the Ashland budget was approved as a maximum expenditure, with the understanding that the Executive Committee or the Board of Trustees could hereafter make such changes as might be deemed necessary.

K. University of Kentucky--Henderson Center Established.

President Dickey reported that a delegation representing the City and County of Henderson was in the building and desired to appear before the Board in behalf of the Henderson Center of the University of Kentucky. Mayor Hecht S. Lackey, Senator William L. Sullivan, Dr. Robert H. English, James S. Priest and G. B. Hays were invited to appear before the Board. Mayor Lackey, Dr. English and Senator Sullivan spoke in the interest of establishing a community college in Henderson. They submitted a brochure indicating that their proposal met all criteria set up by the University of Kentucky committee for the establishment of a two-year educational center. They further stated that the City of Henderson and the County of Henderson had appropriated a sum of money equivalent to a 7-cent property tax for the support of the educational center, these funds to be made available to the University of Kentucky to be expended in behalf of the Center. They presented deed to a site for the proposed educational center, consisting of 98.52 acres. The committee pledged to bring water to the site, power already being on the site. The City of Henderson will operate bus service to and from the site for the convenience of students and staff.

The committee was excused. Members of the Board of Trustees discussed the request at some length, and upon motion duly made, seconded and carried, an educational center for the first two years of college work was established at Henderson, Ky., and a deed to 98.52 acres was accepted, subject to clearance for the University of Kentucky committee on extended programs. Operation of the Center will begin when facilities and operating funds are made available.

L. University of Kentucky Budget Request for 1958-60 to Be Submitted to the General Assembly of 1958.

President Dickey presented the University of Kentucky biennial budget request for 1958-60 as recommended by the Committee of Fifteen and approved by the President.

President Dickey stated that the budget request was in three parts, Part 1 representing the request for current programs, Part 2 representing request for new services; and Part 3 representing budget requests for the operation of the Medical Center.

President Dickey stated that Part 1 was absolutely essential for the preservation and continuance of the current programs of the Division of Colleges, Agricultural Experiment Station and Agricultural Extension. He stated that he found it incumbent to report to the State and the Legislature the new services which should be provided for and to make known the requirements for the operation of the Medical Center during these years of activation. The request for current programs is based upon a 25% increase over the 1957-58 appropriation for the first year of the biennium and a 10% increase over the same fiscal year for the second year of the biennium.

The increases for salary adjustments are approximately 11% for the 1958-59 fiscal year and 5% for the 1959-60 fiscal year. The amount requested for additional faculty and staff expansion provides for only the minimum departmental needs. This need arose due to the continuous annual increase in student enrollment. The increase for current expenses and equipment is due to several factors: (1) rising costs of materials and supplies, (2) to make available to the additional faculty and staff members equipment and materials, (3) teaching material and capital outlay items become outmoded quickly through physical obsolescence in our modern economy.

The budget request was discussed, and upon motion duly made, seconded and carried, the President was authorized to submit the budget to the proper authorities and request that any news releases concerning the budget be referred to the State.

M. University Extended Programs.

President Dickey read the following statement concerning University extended programs:

As American life has become more complicated, more complex, people have expected and demanded increased services from many agencies, and certainly from higher education, particularly state universities. People have not been content to make the basic characteristic of a publicly-supported university that of "place" but rather one of service; hence, a person may observe in most states a state university with extended programs and services in many communities and political subdivisions. Increasingly going even beyond the state, extended programs of service in foreign lands are multiplying in many institutions of higher learning. A state university is today truly more than a geographic dot on a map.

But the advent and development of extended programs in many communities and areas have brought problems, one being that of

organization and administration. More specifically, how can the extended program of a university actually be simply an extended part of the total unified university program and operation? What administrative arrangement might conceivably lead to the most effective coordination and unification of the existing and needed fields and disciplines represented by the college and divisions of a university?

While the answer may not be simple, it seems that an administrative and organizational arrangement which operates with and through existing basic university organizations might be the most plausible. To repeat, extended programs are basically outreaching services of the university, not separate or unrelated activities to the primary university purposes and programs. Seemingly then, the establishment of a staff administrative post, rather than purely a line position, would be indicated. The responsibility accompanying this position would center upon the planning, implementation, and appraisal of extended programs in concert with appropriate representation of the colleges of the university. This type of arrangement would contrast with the designation of a "college" of extended programs.

Actually, a "college" of extended programs of a university would not have an instructional and research staff of its own and in the usual connotations of the term "college" would not, therefore, be a college. The "college" would not be coordinate in any sense with the other colleges of a university since its programs and services would realistically be a part of the prevailing college programs.

Moving then to an organizational and administrative arrangement other than the "college" arrangement for extended programs, an administrative post as mentioned above, directly responsible to the president would be feasible. Each of the colleges with a direct concern with extended programs could have a person designated whose responsibility in part would be that of extended programs within that college. But beyond this responsibility and preceding it would be a responsibility with the other college representatives to plan a unified and coordinated program under the leadership of the person appointed to the staff administrative position.

Several justifications can be cited for such an arrangement; among them being the following:

1. Extended programs are basically a part of the prevailing university program, not an adjunct.
2. The existing colleges must feel that extended programs are part and parcel of their activities and a part of their responsibility.
3. The existing colleges should have a major part in the cooperative planning of extended programs.

4. Administratively, extended programs are not coordinate with existing colleges.
5. The organization and administration of extended programs should lead to effective coordination and unification of these programs with all university programs.
6. Extended programs need to rely for personnel and services upon the existing university organization.
7. There is financial economy to be expected from the evidence of duplication and multiplication of personnel.
8. Such an arrangement has proved to be effective and workable in some other leading institutions of higher education.

With this background in mind and growing out of the study made by the sub-committee of the Committee of Fifteen dealing with the off-campus education problems of the University, I am recommending that the post of Executive Dean of Extended Programs be established. This dean would be charged with the supervision and coordination of the off-campus programs, the audio-visual services, extension, and correspondence programs, and certain other activities connected with music, speech, and other state-wide school programs. In this move we would eliminate the name of the College of Adult and Extension Education and the four divisions shown on the attached chart would report to the Dean of Extended Programs. In addition to these duties, it would be the responsibility of the Dean of Extended Programs to coordinate the instructional offerings of the various colleges in order that uniformity of quality may be maintained in these extended programs.

Each of the colleges which participate in the extended programs of the University will be asked to designate one person to serve with his dean in the planning and execution of the extended programs of that college. The combined group of college representatives with the Dean and Associate Dean of extended programs would constitute a council which would be charged with the basic policy formulation for such activities.

Because of the widespread responsibilities of this position, both from a geographic and an academic point of view, I am also recommending that the post of Associate Dean of Extended Programs be authorized. I should like to recommend today that Dr. Arnold D. Albright, who has been serving as Acting Dean of the College of Adult and Extension Education, be named Executive Dean of Extended Programs, effective today, and that Dr. R. D. Johnson be appointed Associate Dean of Extended Programs. These men are extremely well-qualified for the posts for which they are recommended and it is my belief that they will bring added recognition to an already strong and effective program of extended services.

Members of the Board discussed the statement made by the President and, upon motion duly made, seconded and carried, approved the change in the name from College of Adult and Extension Education to University Extended Programs; approved the appointment of Dr. Arnold D. Albright as Executive Dean of Extended Programs; and approved the appointment of Dr. R. D. Johnson as Associate Dean of Extended Programs.

N. Dairy Products Laboratory Named.

President Dickey in response to various requests, recommended that the laboratory in the Dairy Products processing plant be named to honor Professor John Orville Barkman, who was appointed to the staff of the Dairy Section in 1919 and made Assistant Professor in Charge of Dairy Manufacturing in 1922. He was promoted to Associate Professor and Field Agent in Dairy Manufacturing in 1949. Professor Barkman has been advisory member of the Board of Directors of the Dairy Products Association of Kentucky since 1925. He has also been state coordinator of the National Cream Quality Improvement Association since 1930. In 1933 he was chairman of the Dairy Manufacturing Section of the American Dairy Science Association. In 1949 he received the honor award granted by the University of Kentucky Dairy Science Club for outstanding contribution to the Dairy Industry of Kentucky.

Dean Welch and President Dickey joined in recommending that a plaque be made and erected inside the plant (west entrance) on the left wall near the drinking fountain, to read as follows:

Barkman Dairy Products Laboratory
Named in honor of Professor John Orville Barkman for his 38
years of distinguished service to the University of Kentucky
and to the Dairy Industry of Kentucky.

1957

Upon motion duly made, seconded and carried, the recommendation was concurred in, and the plaque was authorized.

O. Recess for Lunch--Chairman Excused.

The Board recessed at 12:10 CST for lunch in the Student Union. Governor Chandler asked to be excused, and the Board again took up the agenda at 1:15 p.m. CST.

P. Budget Transfers.

President Dickey recommended that the sum of \$400.00 be transferred from the unappropriated surplus to Account 270, Public Relations, to meet budget need for Mr. Leland Smith.

President Dickey recommended the appropriation of \$325.00 from the unappropriated surplus to account 90, Dean of Women, to meet the budget need for Mrs. Betty Richardson.

President Dickey recommended increase of \$2,300.00 from unappropriated surplus of the University budget to Account 100, University Health Service.

President Dickey recommended increase of \$26,070.00 from the Agricultural Experiment Station, General Fund, to "interest and lease payments" account.

Upon motion duly made, seconded and carried, the recommendations were concurred in and the necessary budget adjustments were authorized.

Q. Professor Wendell Binkley and Mr. E. B. Farris to Do Consultative Work.

President Dickey submitted a recommendation that Professor Wendell Binkley serve as consultant to the Kentucky Cooperative Council, and that Mr. E. B. Farris do a special job of writing specifications for a water plant at Pineville, Ky., for Mr. J. Stephen Watkins. He stated that the amount of work involved in both cases was small and that the work would not interfere with the regular duties of Professor Binkley and Mr. Farris. The work would be done on Saturdays, Sundays and at night, and at such other times as time would permit. President Dickey recommended that the requests be granted.

Upon motion duly made, seconded and carried, Professor Binkley and Mr. Farris were authorized to do off-campus work as specified.

R. Agreement with Tennessee Valley Authority and Agricultural Experiment Station.

President Dickey submitted a memorandum agreement with the Agricultural Experiment Station to obtain samples of price and fertilizer-application cost data, and other data relating to the economic interpretation of the multi-hopper method of fertilizer application. He stated that the work would involve an expenditure of about \$1,200.00, which would be repaid by the Tennessee Valley Authority. He recommended that the agreement be approved.

Upon motion duly made, seconded and carried, the agreement was approved and President Dickey was authorized to execute the agreement.

S. Dr. Merl Baker Given Increased Duties.

President Dickey submitted a recommendation from the president of the Kentucky Research Foundation that Dr. Merl Baker be made executive director of the Kentucky Research Foundation and of University Research and Industrial Relations, effective immediately.

Doctor Baker will assume the following responsibilities:

1. He will promote and integrate the program of supported research at the University, seeking to enlarge the program with both government and industry. In this connection he will keep himself acquainted with the sources of available funds, he will enlist the interest of industrial organizations, and he will assist deans, department heads and faculty members in the preparation of applications for financial assistance for their research programs. He will evaluate and help to strengthen the research facilities of the University.

2. He will promote giving for scholarships and fellowships, working with industry, the alumni, and community organizations. He will give especial attention to the solicitation of funds for graduate fellowships.

3. He will coordinate the entire fund-solicitation program of the University in order to avoid multiple solicitations of the same individual or agency by different University interests. He will maintain a current file of foundations and other agencies from which funds may be solicited, and assist members of the University faculty in making applications for grants.

4. Finally, he will place a special emphasis on enlisting the interests of Kentucky industry in the University and its research program.

An adjustment in salary was recommended.

Upon motion duly made, seconded and carried, the recommendation was concurred in, and Dr. Merl Baker, effective immediately, was made Executive Director of the Kentucky Research Foundation and of University Research and Industrial Relations, with adjustment in salary.

T. Faculty-Board Conference Committee Authorized.

President Dickey stated that he had conferred with the president of the University of Kentucky chapter of the American Association of University Professors, as well as with a committee of the AAUP chapter concerning general plans for academic freedom at the University, and on a particular policy which should be followed in dealing with cases such as that of Dr. Gladys Kammerer. He reviewed the issues and recommended that a faculty-board committee be established to consider all such cases and make recommendations to the administration and the Board of Trustees. Such a committee would meet on call of the President. The committee would consist of three members of the University faculty and three members

of the Board of Trustees.

Upon motion duly made, seconded and carried, the Faculty-Board Committee was authorized and the Chairman was directed to appoint three members of the Board of Trustees to the Committee when the faculty representatives have been named and certified to the Board through the President.

U. Dr. John S. Sprague Appointed Director of University Health Service.

President Dickey reported the recommendation of Dr. William R. Willard, Vice President, Medical Center, for appointment of Dr. John S. Sprague as Director of University Health Service, part-time, effective immediately. He recommended that Dr. John S. Chambers be continued temporarily as full-time physician, without change in salary.

President Dickey concurred in the recommendation, and upon motion duly made, seconded and carried, Dr. John S. Sprague was made Director of the University Health Service on part-time basis, to serve the current year ending June 30, 1958.

V. Appointments and Other Staff Changes.

President Dickey submitted staff appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes requested by deans and heads of departments.

COLLEGE OF ARTS AND SCIENCES

Appointments

John Donahoe, Instructor, Psychology Department, effective September 1, 1957.

John Brannon, Hearing Therapist, Psychology Department, for ten months, effective September 1, 1957.

Frederick A. McMillin, Visiting Professor, Geology Department, for ten months, effective September 1, 1957.

Thomas J. Crawford, Geologist, Kentucky Geological Survey, from September 16, 1957 through June 30, 1958.

Brice Dunaway, Animal Caretaker, Department of Bacteriology, for nine months, effective October 1, 1957.

Lawrence R. Norris, Instructor, Music Department, for ten months, effective September 1, 1957.

Peggy Ann Mull, Secretary, Psychology Department, beginning August 19, 1957 through June 30, 1958.

Jennie V. Taylor, Aide, Physical Education Department, for twelve months, effective August 12, 1957.

Bruce Jesse Biddle, Assistant Professor, Sociology Department, for ten months, effective September 1, 1957.

Robert Keeler Billings, Instructor, English Department, for ten months, effective September 1, 1957.

David L. Lawrence, Part-time Instructor, Anatomy and Physiology Department, for ten months, effective September 1, 1957.

Marlene Gayle Long, Secretary, Psychology Department, effective July 1, 1957.

Joyce G. Hogg, Secretary, Mathematics and Astronomy, effective July 22, 1957.

Doris Ethington, Part-time Instructor, Psychology Department, beginning July 22, 1957 through August 3, 1957.

Zoltan Kocsis, Assistant Instrument Maker, Physics Department, effective August 9, 1957.

Frederic Thursz, Instructor, Art Department, effective September 1, 1957.

Marion Lois Dando, Part-time Secretary, Department of Philosophy, for nine months, effective September 1, 1957.

Jerry Ball, Instructor, Music Department, for ten months, effective September 1, 1957.

Grant Youmans, Lecturer, Sociology Department, effective August 20, 1957.

Reappointments

Kenneth W. Burk, Speech Therapist, Psychology Department, for ten months, effective September 1, 1957.

Bobbie L. Boyd, Speech Therapist, Psychology Department, for twelve months, effective July 1, 1957.

Vincent Byers, Hearing Therapist, Psychology Department, for two months, effective July 1, 1957.

Deceased

Ernest Meyers, Associate Professor, Psychology Department, passed away on July 20, 1957.

Resignations

John Tincher, Animal Caretaker, Bacteriology Department, September 30, 1957.

Helen Marie Brooks, Aide, Department of Physical Education, August 9, 1957.

Richard A. Sanderson, Instructor & Film Supervisor, Radio Arts, August 31, 1957.

Helen Louise Jones, Librarian & part-time assistant, Geology Department, July 31, 1957.

Frank H. Walker, Geologist, Kentucky Geological Survey, September 30, 1957.

William F. Goodykoontz, Instructor, English Department, August 31, 1957.

Termination of Employment

Louise B. Miller, Part-time Instructor, Psychology Department, August 14, 1957.

Gerald W. Culberson, Part-time Instructor, English Department, September 1, 1957.

Paul H. Stacy, Part-time Instructor, English Department, September 6, 1957.

Paul Edward Coggins, Part-time Instructor, English Department, September 1, 1957.

William Lee Brooks, Part-time Instructor, English Department, September 1, 1957.

Loring Edward Hart, Instructor, English Department, June 30, 1957.

Leaves of Absence

Earl J. Kauffman, Jr., Professor, Department of Physical Education, leave of absence, from September 1, 1957 through August 31, 1958.

Bernard D. Kern, Associate Professor, Physics Department, leave of absence, from September 1, 1957 through August 31, 1958.

John A. Stokley, Instructor & Geologist, Geology Department and Kentucky Geological Survey, leave of absence, from September 1, 1957 through June 30, 1958.

Changes in Status

Arthur W. Fort, Assistant Professor, Chemistry Department, returned to full-time duties after serving as Research Director for AEC from July 31, 1957 through August 31, 1957, effective September 1, 1957.

John M. Patterson, Assistant Professor, Chemistry Department, returned to full-time duties after serving as Project Supervisor for Kentucky Research Foundation from July 1, 1957 through August 31, 1957, effective September 1, 1957.

Phyllis A. Bradshaw, Secretary, Military Department, Army ROTC, adjustment in salary, for twelve months, effective July 1, 1957.

John F. Steinbach, Assistant Professor, Chemistry Department, returned to full-time duties after serving as Assistant Professor for AEC from July 1, 1957 through August 31, 1957, effective September 1, 1957.

William F. Wagner, Associate Professor, Chemistry Department, returned to full-time duties after serving as Associate Professor for AEC from July 1, 1957 through August 31, 1957, effective September 1, 1957.

Bernard D. Kern, Associate Professor, Physics Department, adjustment in salary as incentive pay for work in AEC contract for twelve months for the interim of July 1, 1957 through August 31, 1957.

Susan S. Waters, Part-time Secretary, Sociology Department, to Full-time Secretary, with adjustment in salary, effective August 1, 1957.

Morris Scherago, Professor and Head of Department of Bacteriology, returned to full-time duties, with adjustment in salary for twelve months, effective September 1, 1957, after serving under the Kentucky Research Foundation for the period beginning July 1, 1957, through August 31, 1957.

Margaret L. Winnenberg, Secretary, Social Work, adjustment in salary for twelve months, effective July 1, 1957.

Vincent P. Kenney, Assistant Professor, Physics Department, adjustment in salary and change from twelve to ten months basis, with no participation in AEC contract, effective September 1, 1957.

E. G. Trimble, Professor of Political Science, to Acting Head of the Department of Political Science, effective September 1, 1957, through June 30, 1958.

Charles E. Snow, Professor of Anthropology and Head of Department, has asked to be relieved of the duties as Head of the Department, effective September 15, 1957.

Frank J. Essene, Professor of Anthropology and acting Head of the Department, to Head of the Department and Professor. effective September 15, 1957.

COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Appointments

Darlene F. May, Stenographer, for twelve months, effective August 1, 1957.

Margaret A. Cooke, Stenographer, for twelve months, effective September 1, 1957.

Willie Stromatt, Assistant to Dairyman & Poultryman, for twelve months, effective August 1, 1957.

Anna Cray McCord, Clerk-Stenographer, for twelve months, effective August, 1957.

John K. Evans, Assistant in Agronomy, for twelve months, effective August 5, 1957.

Thomas Morgan Wallace, Aid in Agronomy, for twelve months, effective September 1, 1957.

Jean Graham Hobart, Assistant Professor, for ten months, effective September 1, 1957.

Orval Dee Crowe, Dairy Herdsman, for twelve months, effective September 10, 1957.

Lercy Houston Boyd, Assistant in Animal Husbandry, for twelve months, effective September 1, 1957.

Paul Roy Claiborne, Assistant County Agent in training, for twelve months, effective September 1, 1957.

Iris W. McLarty, Assistant County Agent in Training, for twelve months, effective September 16, 1957.

Nancy Ann Grove, Laboratory Technician, for twelve months, effective September, 23, 1957.

Martin A. Slaughter, Beef & Sheep Herdsman, for twelve months, effective October 1, 1957.

Lucy Patricia Barrett, Clerk-Stenographer, for twelve months, effective September 9, 1957.

Eldon Dee Smith, Associate Professor and Associate Economist, for twelve months, effective September 1, 1957.

Anna Adams, Clerk-Machine Operator, for twelve months, effective August 19, 1957.

Isabella J. Williams, Negro Assistant County Agent in training, for twelve months, effective August 1, 1957.

Ruth Marcum Baker, Assistant County Agent in Training, for twelve months, effective September 1, 1957.

Ella Mae Prunty, Clerk, for twelve months, effective July 10, 1957.

Rufus Fugate, Assistant County Agent in Training, for twelve months, effective August 16, 1957.

Harold C. Rice, Assistant County Agent in Training, for twelve months, effective August 16, 1957.

Angela Youmans, Assistant County Home Demonstration Agent in Training, for twelve months, effective August 1, 1957.

James D. Kelley, Assistant Horticulturist, for twelve months, effective September 15, 1957.

Jo Ann Overton, Assistant Chemist, for twelve months, effective August 12, 1957.

Doshia L. Gulley, Stenographer, for twelve months, effective August 1, 1957.

Douglas Eugene Thorndale, Technician, for twelve months, effective August 12, 1957.

Franklin A. Brown, Research Assistant, for twelve months, effective August 1, 1957 through September 14, 1957.

Marvin B. Kelly, Jr., Research Assistant, effective August 1, 1957 through September 14, 1957.

James Allen Street, Research Assistant, for twelve months, effective August 1, 1957.

Roy Mason Hall Morrison, Research Assistant, for twelve months, effective September 1, 1957.

Tommy J. Davidson, Research Assistant, for twelve months, effective September 1, 1957.

James Edsel Marion, Research Assistant in Poultry, for twelve months, effective September 16, 1957.

Byron Jon Greiman, Research Assistant, for twelve months, effective September 1, 1957.

Donald Wedsell Claypool, Research Assistant in Dairying, for twelve months, effective September 3, 1957.

Reappointments

Zach C. Saufley, Research Assistant for twelve months to Extension Specialist in Livestock Marketing, for twelve months, with adjustment in salary, effective September 1, 1957.

George Emerson Jones, Assistant County Agent in Training, for twelve months, effective August 16, 1957.

Kob Ryen, Assistant Professor in Animal Husbandry, for nine months, effective September 1, 1957.

Robert W. Hicks, Assistant Professor and Assistant Animal Husbandman, effective August 16, 1957.

Glynn Edward Williamson, Inspector in Charge, Creamery License Section, for twelve months, effective September 1, 1957.

Shirley C. Griffith, Clerk-Typist, for twelve months, effective July 1, 1957.

Blanche Browning, County Home Demonstration Agent, for twelve months, effective July 1, 1957.

Logan Thompson Louderback, Assistant County Agent in Training, for twelve months, effective August 1, 1957.

Dorothy C. Camenisch, Home Demonstration Extension Agent, for twelve months, effective August 1, 1957.

Jessie Lois McClure, Assistant County Home Demonstration Agent in Training, for twelve months, effective August 1, 1957.

Albert Lee Wilson, Assistant County Agent in Training, for twelve months, effective August 15, 1957.

Everette Mackey, Extension Specialist in Egg Marketing, for twelve months, effective August 1, 1957.

Owen K. Shugars, Research Assistant, for twelve months, effective July 16, 1957 through September 14, 1957.

Resignations

John William Murphy, Research Assistant in Poultry, effective July 31, 1957.

Milana Drazic, Laboratory Technician, effective August 31, 1957.

Marion W. Hibberd, Extension Specialist in Sorghum Marketing, effective August 31, 1957.

Wei Ping Liu, Research Assistant, effective September 30, 1957.

Kenneth E. Flowers, County Agricultural Extension Agent, effective October 2, 1957.

Frederick R. Gleason, Research Assistant, effective August 15, 1957.

Sara Thompson, Home Dem. Agent (acting), effective August 24, 1957.

Dimple Flowers Turner, Associate Home County Dem. Extension Agent, effective July 31, 1957.

Mary Scott Moore, County Home Demonstration Extension Agent, effective July 31, 1957.

Alfred Barr, Research Assistant, effective July 15, 1957.

Miyoko Uzaki, Clerk-Stenographer, effective August 9, 1957.

Leonard E. Farmer, Assistant Country Agricultural Extension Agent, effective August 6, 1957.

Louard T. Mills, Assistant Dairyman and Poultryman, effective July 16, 1957.

Patricia L. Childers, Clerk-Stenographer, effective July 13, 1957.

Gloria Jean Hankins, County Home Demonstration Extension Agent, effective July 31, 1957.

Lydia A. Bell (Waddlington), Home Demonstration Extension Agent, effective August 3, 1957.

Harold C. Rice, Research Assistant, effective August 3, 1957.

Helen M. White, District Leader of Home Demonstration Extension Agents, effective July 31, 1957.

Alvah Clayton Hunt, Assistant County Agricultural Extension Agent, effective August 31, 1957.

Thelma B. House, Negro Assistant County Home Demonstration Agent, effective September 21, 1957.

Theodore Hoskins, Aid in Agronomy, effective September 7, 1957.

Beulah S. Ransom, Stenographer, effective August 31, 1957.

Reva J. Carter, Clerk-Stenographer, effective October 5, 1957.

Marie Carr Harris, Clerk-Stenographer, effective September 14, 1957.

Jo Ann Ross, Clerk-Typist, effective September 30, 1957.

James Robert Jones, Research Assistant, August 31, 1957.

Joyce May Lobb Rock, Laboratory Aid, effective August 31, 1957.

John E. Carr, Jr., Assistant County Agricultural Exten. Agent in Training, effective September 14, 1957.

Ralph Jean Anderson, Temporary Field Worker, effective July 31, 1957.

Leaves of Absence

John J. Begin, Assistant Poultry Husbandman and Assistant Professor in Poultry Husbandry, sabbatic leave for the period September 1, 1957 through June 30, 1958.

J. F. Shane, Assistant Agronomist, sabbatic leave from November 1, 1957 through July 31, 1958.

Ernest D. Gooch, Jr., Assistant Economist, sabbatical leave for period October 1, 1957 through July 31, 1958.

Marion W. Hibberd, Extension Specialist in Sorghum Marketing, leave for period July 16, 1957 through August 31, 1957.

Ruth M. Guenther, Assistant Professor of Home Economics, leave for period September 1, 1957 through June 30, 1958.

Leo A. Link, Assistant Agronomist, sabbatic leave for period October 1, 1957 through January 31, 1958.

Changes in Status (County Agricultural Extension Agents)

George A. Armstrong (Assoc.), Faye R. Atherton, Hubert E. Ball, H. C. Brown, Hollis Brown (Assistant), Cecil Carter, Jr., (Associate), John Caudill (Associate), Claude O. Christian, Joseph L. Claxon, Woodrow Coots, Russell F. Cornelius (Assistant), H. I. Crenshaw, Robert Crouch (Associate), Kelcy Driskill, John A. Ewing (Assistant), Wiley B. Faw (Assistant), John H. Finch (Assistant), David Gragg (Assistant), Paul H. Gray, Stanley Hager, Seldon V. Hail, Paul T.

Hamm, William C. Harlin (Assistant), J. T. Hatfield, John Heller (Associate), George R. Herbst (Assistant), Josiah Hoskins (Associate), Robert M. Huffman (Assistant), Robert M. Jones, Wendell Jones (Assistant), Paul Keen, Granville King (Assistant), Jerome Lawson (Assistant), Glenn Loveless, Jr., (Assistant), Glen R. McCormick (Assistant), Floyd McDaniel, Peter T. McNeill, Jr., Charles Mason, Paul W. Mills (Associate), Clarence W. Mitchell, Stanley B. Moore, Edward Netherland (Assistant), Z. L. Newsome (Assistant), Leroy Northington, Levi Oliver, Early Perry, Jr. (Assistant), John Perkins (Assistant), Hays Pigman, James T. Prewitt (Assistant), Calvin Risner (Associate), Albert Stamper, A. G. Sims (Associate), Edward W. Stroube (Assistant), Clifton L. Taylor (Assistant), Alan P. Utz, Jr., (Associate), John Vaughan (Assistant), Ralph Wade, Free Wallace, John Watlington, Rex Wesley (Assistant), Carl A. Wicklund.

Changes in Status (County Home Demonstration Extension Agents)

Dorothy A. Arnold, Mrs. Edwina J. Bordeau, R. Kathryn Bullen (Assistant), Zelma Byerly, Mrs. Josephine Chestnut (Assistant), Elizabeth Donnell, Mrs. Marjorie Gabbard, Mrs. Maxine Griffin, Mrs. Ruth Harralson, Mrs. Rachel Hopkins, Mrs. Hazel F. Hubbard, Mary Ann Huflage, Mrs. Joanee Karns, Mrs. Alice P. Kilpatrick, Patricia Gene Martin, Mrs. Florence J. Parker, Katherine Russell, Mrs. Shirley Shepherson, Mrs. Barbara Taylor, Dixie Della Trapp, Mrs. Novella Wininger, Mrs. Mary Woollard.

Changes in Status (Extension - Clerical)

Dora Baker, Ina Estepp, Ruby Neal, Sue Noel, Nancy Ratcliff, Barbara Truitt, Loretta Joy Higgins.

Changes in Status

Ruth E. Boyden, Research Assistant to Assistant Home Economist, effective September 1, 1957.

Statie E. Erickson, Distinguished Professor to Distinguished Professor and Home Economist, effective September 1, 1957.

Lucille Magruder, Assistant Professor and Research Assistant to Assistant Professor and Assistant Home Economist, effective September 1, 1957.

Abby L. Marlatt, Professor and Director, School of Home Economics to Professor and Home Economist and Director, School of Home Economics, effective September 1, 1957.

Helen Marshall, Associate Professor and Research Associate to Associate Professor and Associate Home Economist, effective September 1, 1957.

Gertrude Skerski, Assistant Professor and Research Assistant to Assistant Professor and Assistant Home Economist, effective September 1, 1957.

Claudia E. Wells, Assistant Professor and Research Assistant to Assistant Professor and Assistant Home Economist, effective September 1, 1957.

Mildred R. Wightman, Research Assistant to Assistant Home Economist, effective September 1, 1957.

Mary M. Zinn, no title, to Assistant in Home Economics.

Kenneth J. Starks, Assistant Entomologist to Assist. Entomologist and Assistant Professor of Entomology, effective August 1, 1957.

J. G. Rodriguez, Associate Entomologist to Associate Entomologist and Assistant Professor of Entomology, effective August 1, 1957.

Wendell C. Binkley, Assistant Economist and Assistant Professor to Assistant Economist and Extension Specialist in Cooperative Marketing, effective July 1, 1957.

J. G. Rodriguez, Associate Entomologist, adjustment in salary, for twelve months, effective July 1, 1957.

Robert L. Carter, Research Assistant, adjustment in salary, for the period August 1, 1957 through September 30, 1957.

Janice L. Campbell, Clerk, adjustment in salary for twelve months, effective July 1, 1957.

Elizabeth Ann Wolfe, adjustment in salary, for twelve months, effective June 1, 1957 (Apprentice Home Agent).

Walter Minton Jones, Assistant County Agricultural Extension Agent, adjustment in salary for twelve months, effective July 1, 1957.

David Y. Gillespie, Assistant County Agricultural Extension Agent in training, change from Breathitt County, Jackson, Ky., to Floyd County, Prestonsburg, Kentucky, effective August 15, 1957.

Joseph B. Armstrong, Assistant County Agricultural Extension Agent in training to Assistant County Agricultural Extension Agent from Union County, Morganfield, Ky., to Butler County, Morgantown, Kentucky, effective September 1, 1957.

Juanita Sue Cravens, Assistant County Home Demonstration Extension Agent in Training, Adair County, Columbia, Ky., to Cumberland County, Burkesville, Ky., effective September 1, 1957.

Jasper E. Cole, Assistant County Agricultural Extension Agent, Scott County, Georgetown, Ky., to Caldwell County, Princeton, Ky., effective August 20, 1957.

Ross Ellsworth Lowes, Research Assistant in Rural Sociology, adjustment in salary, July 1, 1957 through August 31, 1957.

Delores Mills, Inventory Clerk to Clerk-Stenographer, adjustment in salary, for twelve months, effective September 1, 1957.

Young Ja Lee, Assistant, adjustment in salary for twelve months, effective September 1, 1957. Changing from Experiment Station to College of Agriculture and Home Economics.

Zae N. Wyant, Laboratory Technician, adjustment in salary for twelve months, changing from full-time to part-time.

Roger W. Jones, Special Assignment to Superintendent, Robinson Substation, adjustment in salary, for period July 1, 1957 to August 1, 1957.

James H. Edwards, Associate County Agricultural Extension Agent, Ballard County, Wickliffe, Ky., to County Agricultural Extension Agent, Ballard County, Wickliffe, Ky., adjustment in salary, for twelve months.

Harold David Collins, Assistant County Agricultural Extension Agent, Mason County, Maysville, Ky., to Associate County Agricultural Extension Agent, Mason County, Maysville, Ky.

W. A. Price, Head of Department to Special Assignment, adjustment in salary for twelve months, effective

Burris A. Rardin, Assistant County Agricultural Extension Agent, Nelson County, Bardstown, Ky., to County Agricultural Extension Agent, Nelson County, Bardstown, Ky., adjustment in salary for twelve months, effective August 1, 1957.

Calvin Risner, Acting County Agricultural Extension Agent, Owsley County, Booneville, Ky., to Associate County Agricultural Extension Agent, Taylor County, Campbellsville, Ky., effective August 1, 1957.

Dorothy Sue Vanhorn, Assistant County Home Demonstration Extension Agent in training, Bell County to Laurel County, London, Kentucky, effective September 9, 1957.

Helen Wesley, Assistant County Home Demonstration Extension Agent in Training, Rowan County, Morehead, Ky., to Carter County, Olive Hill, Ky., effective July 1, 1957.

Holland P. Thrasher, Assistant County Agricultural Extension Agent, Taylor County, Campbellsville, Ky., to Nelson County, Bardstown, Ky., effective July 1, 1957.

Claudia E. Wells, Research Assistant and Assistant Professor in Home Economics to Assistant Home Economist and Assistant Professor in Home Economics, changed from twelve to ten months period, effective July 1, 1957.

Pearl J. Haak, Extension Specialist in Foods, to go on Civil Service Retirement as of September 1, 1957, effective October 2, 1957.

J. C. Feltner, Field Worker, 4-H, Extension Service, adjustment in salary, effective September 1, 1957.

Paule Amelia Weatherly, Stenographer Extension, adjustment in salary, effective July 1, 1957.

COLLEGE OF ENGINEERING

Appointments

James Welby Riddle, Instructor, Applied Mechanics, for ten months effective September 1, 1957.

William Bright Drake, Lecturer in Highway Engineering (part-time) for twelve months, effective August 15, 1957.

Walter Vincent Prop, Instructor in Engineering Drawing, for ten months, effective September 1, 1957.

Samuel Preston Maggard, Instructor in Civil Engineering, for twelve months, effective August 16, 1957.

James F. Lafferty Research Associate, for twelve months, effective August 19, 1957.

William David Daugherty, Instructor in Civil Engineering, for twelve months, effective July 16, 1957.

Russell Elwood Puckett, Instructor in Electrical Engineering Department, for twelve months, effective September 1, 1957.

Charles Bainbridge Wooldridge, Assistant Professor of Applied Mechanics, for ten months, effective September 1, 1957.

R.E. Shaver, Dean, for twelve months, effective July 1, 1957.

Charles T. Maney, Professor of Electrical Engineering, for twelve months, effective August 1, 1957.

Resignations

L.E. Gregg, Lecturer in Civil Engineering, effective August 31, 1957.

J. L. Leggett, Jr., Associate Professor in Civil Engineering, effective August 31, 1957.

P.K. Kadaba, Assistant Professor in College of Engineering, effective August 31, 1957.

N.K. Burke, Jr., Instructor in Engineering Drawing, effective July 31, 1957.

W.G. Irvan, Jr., Instructor in Civil Engineering, effective July 31, 1957.

Leaves of Absence

L. E. Gregg, Lecturer in Civil Engineering, leave of absence from July 1, 1957 through August 31, 1957.

J. L. Leggett, Jr., Associate Professor in Civil Engineering, leave of absence, from July 1, 1957 through August 31, 1957.

E. B. Bradley, Instructor in Electrical Engineering, leave of absence from August 25, 1957 to March 1, 1958.

E. B. Penrod, Engineering Physicist, return from leave of absence, to Professor and Head of the Department of Mechanical Engineering, for 12 months, effective July 20, 1957.

Changes in Status

Hella K. Ahern, Clerk-Stenographer, Wenner-Gren Aeronautical Research Laboratory, adjustment in salary for twelve months.

Lenora C. Stinnett, Laboratory Technician, adjustment in salary for twelve months.

J. S. Horine, Special Assignment, adjustment in salary.

E. M. Spokes, Professor of Mining Engineering, adjustment in salary for twelve months.

Merl Baker, Professor of Mechanical Engineering and Director of Kentucky Research Foundation to Executive Director of Kentucky Research Foundation and of University Research & Industrial Relations and Professor of Mechanical Engineering, adjustment in salary, effective September 1, 1957.

COLLEGE OF EDUCATION

Appointments

Paul Street, Director of the Bureau of School Service, effective September 1, 1957 (and Associate Professor).

Pearl Rutledge, Critic Teacher, for five months, effective September 1, 1957.

Mark Tucker, Assistant Professor, for twelve months, effective September 1, 1957.

Lucile L. Lurry, Associate Professor, for twelve months, effective September 1, 1957.

Jeanne M. Kunh, Assistant Professor, for twelve months, effective September 1, 1957.

James A. Fickes, Associate Professor, for twelve months, effective September 1, 1957.

Anna Gorman, Assistant Professor, for twelve months, effective September 1, 1957.

Blenda L. Proudfoot, Area Coordinator, for twelve months, effective August 1, 1957.

Barbara Sue Huffman, Secretary, for twelve months, effective August 21, 1957.

Bertha Louise Marksbury, Secretary, for twelve months, effective August 21, 1957.

Eleanor Evans, Critic Teacher, for ten months, effective September 1, 1957.

Ada Mary Pyle, Critic Teacher, for ten months, effective September 1, 1957.

Nellie Dry, Part-time Critic Teacher, for ten months, effective September 1, 1957.

Ada Mary Pyle, Graduate Assistant, for the period July 1, 1957 through August 31, 1957.

Betty P. Lastinger, Supervising Teacher, for twelve months, effective September 1, 1957.

Resignations

Betty A. Brown, Secretary, effective July 31, 1957.

Patricia Buckner, Secretary, effective August 17, 1957.

Joan Johnson, Secretary, effective August 17, 1957.

Ramona Apker, Critic Teacher, effective August 31, 1957.

Thomas J. Cox, Supervising Teacher, effective August 31, 1957.

Leave of Absence

Harold P. Adams, Associate Professor, leave from July 1, 1957 through June 30, 1958.

Ruth Osborne, Critic Teacher, leave from August 1, 1957 to September 1, 1957.

Changes in Status

Carolyn Wade, Secretary, adjustment in salary, effective September 1, 1957.

Lucile Strong, Secretary, adjustment in salary, effective September 1, 1957.

COLLEGE OF COMMERCE

Appointments

Merrell Devoe, Visiting Professor of Marketing, for ten months, effective September 1, 1957.

David C. McMurtry, Assistant Professor, for ten months, effective September 1, 1957.

Clyde L. Irwin, Instructor in Commerce, for ten months, effective September 1, 1957.

Ruth W. Blackburn, Assistant Secretary for twelve months, effective August 12, 1957.

Glenn Wills, Part-time Instructor, for ten months, effective September 1, 1957.

R. Milliken, Part-time Instructor, for ten months, effective September 1, 1957.

Resignations

Pat Barlow, Assistant Secretary, effective August 12, 1957.

W. W. Harned, Assistant Professor, effective August 31, 1957.

Leaves of Absence

M. L. King, Assistant Professor, leave of absence from July 1, 1957 through August 31, 1957.

Frank G. Coolsen, Associate Professor, leave of absence from September 1, 1957 through June, 1958.

James W. Martin, Professor (part-time) continuation of leave for period from July 1, 1957 to January 1, 1958.

COLLEGE OF LAW

Appointments

G. Robin Griffin, Teaching Associate, for five months, effective September 1, 1957.

Calvert T. Roszell, Teaching Associate, for five months, effective September 1, 1957.

COLLEGE OF ADULT AND EXTENSION EDUCATION

Appointments

Dolores W. Ray, Secretary, for twelve months, effective September 9, 1957.

Mary Virginia Cox, Secretary, for twelve months, effective September 3, 1957.

Resignations

Kathryn E. Gebhart, Secretary, effective July 27, 1957.

Elizabeth R. VanHorne, Librarian, effective July 31, 1957.

Changes of Status

Glenn E. Wills, Part-time Assistant, adjustment in salary for ten months.

Bernard Johnson, Assistant Professor of Physical Education, will assume the duties as director of Camp Robinson, effective September 1, 1957.

COLLEGE OF PHARMACY

Appointments

Jesse Y. Hubbard, Instructor for ten months, effective September 1, 1957.

Virginia Arnold, Secretary, for twelve months, effective August 1, 1957.

Leave of Absence

William F. Rehberg, Assistant Professor, return from leave, effective September 1, 1957.

GRADUATE SCHOOL

Appointments

Haggin Fellow - (\$600.00 each)

Carolyn H. Meyers (in place of Rhoda Evans).

Harvey H. Embry, Jr. (in place of Mrs. Elizabeth Bell Dohrman).

Rae Harris Stoll, Secretary, for twelve months, effective September 1, 1957.

Resignations

Nancy Boggs, Secretary, effective August 19, 1957.

MEDICAL CENTER

Appointment

Rose Schilling Shrimpton, Administrative Assistant, effective August 1, 1957.

Leave of Absence

Dorothy Scheuer, Secretary, Health Service, leave of absence from August 19, 1957 through September 16, 1957.

OFFICE OF THE PRESIDENT

Appointment

Frances Carr Kratt, Assistant Secretary, for twelve months, effective September 9, 1957.

DEPARTMENT OF PUBLIC RELATIONS

Appointment

Jacqueline List, Secretary, for twelve months, effective September 3, 1957.

Resignations

Joan Miller Harrison, Secretary, effective August 21, 1957.

Mary Lee Smedley, Information Editor, effective August 31, 1957.

Leave of Absence

Boyd Keenan, Director of News Bureau, leave of absence from October 1, 1957 to July 1, 1958.

MUSEUM FOR KENTUCKY LIFE

Adjustment in Salary

Hambleton Tapp, Assistant Professor and Director of Museum, for twelve months.

UNIVERSITY PRESS

Appointments

Marjorie M. Dysart, Editorial Assistant, for twelve months, effective July 1, 1957.

J. Finch, Secretary, for twelve months, effective September 16, 1957.

OFFICE OF THE VICE PRESIDENT

Appointment

Ann Wiemann, Stenographer, for twelve months, effective September 1, 1957.

Resignation

Joan Weissinger, Stenographer, effective August 31, 1957.

LIBRARIES

Appointments

Mary Alice Kraehe, Assistant Acquisition Department, three-fourths time, for three months, effective September 1, 1957.

Raul B. Beruff, Assistant, Circulation Department, for the period August 12, 1957 through September 30, 1957.

Eleanor M. Carey, Reference Assistant, for twelve months, effective July 15, 1957.

Elizabeth VanHorne, State Documentary Librarian, for twelve months, effective August 1, 1957.

Resignations

Lois Ann Lathram, Typist, Catalog Department, effective July 31, 1957.

Mary V. Bennett, Assistant Reference, effective July 31, 1957.

Helen L. Jones, Geology Librarian, effective July 31, 1957.

Phyllis Wilson, Assistant Archives, effective August 7, 1957.

Milmir Drazie, Assistant Acquisition Department, effective July 31, 1957.

Billie Moore Burnett, Assistant, Circulation Department, effective August 31, 1957.

Rae Harris Stoll, Assistant, Acquisitions Department, effective August 31, 1957.

Shirley Crigger, Typist, Catalog Department, effective September 18, 1957.

Leave of Absence

Carolyn Hammer, Acquisitions Librarian, sabbatical leave for three months, beginning September 1, 1957 through November 30, 1957.

Changes of Status

Elizabeth Clotfelter, Assistant Serials Librarian to Cataloger, with adjustment in salary, for twelve months, effective August 1, 1957.

Thelma Rogers, Assistant Circulation, adjustment in salary for twelve months, effective September 1, 1957.

Stokely Gribble, Assistant, Acquisitions and Circulation, to Assistant in Acquisitions Department, adjustment in salary, for twelve months, effective August 1, 1957.

Hunter Adams, Assistant Acquisitions Department to Pharmacy Librarian, with adjustment in salary, for ten months, effective September 1, 1957.

John J. Reynolds, half-time Assistant Circulation, to full-time Assistant in Circulation, with adjustment in salary, for August and September, 1957.

COUNSELING SERVICE

Appointment

Nancy Ann Radfor, Secretary, effective July 25, 1957.

Resignation

Roberta Rose Brinkley, Secretary, effective August 30, 1957.

REGISTRAR

Resignation

Carolyn W. Ward, Stenographer, effective August 30, 1957.

OFFICE OF VICE PRESIDENT FOR BUSINESS ADMINISTRATION

ACCOUNTING DIVISION

Appointments

Marilyn Evans Jones, Junior Payroll Clerk, for twelve months, effective July 22, 1957 through August 12, 1957.

Barbara Criswell, Account Clerk, for the period beginning July 22, 1957 through August 22, 1957.

Emoline Thompson, Junior Payroll Clerk, for twelve months, effective September 1, 1957.

PURCHASING

Resignation

Edith Miller, Clerk-Stenographer, effective July 31, 1957.

FOOD STORAGE CENTER

Appointment

Edgar Lee Ball, Meat Room, for twelve months, effective September 3, 1957.

DONOVAN HALL CAFETERIA

Adjustment in Salary

Margaret McIntyre, Assistant Dietitian, adjustment in salary for ten months, effective July 1, 1957.

Leave of Absence

Margaret McIntyre, Assistant Dietitian, leave from July 1, 1957 to August 1, 1957.

Change of Status

Margaret McIntyre, Assistant Dietitian, Donovan Hall Cafeteria to Assistant Dietitian, Women's Residence Halls, for ten months, with adjustment in salary.

MAINTENANCE AND OPERATIONS

Appointment

Floyd Wakeman Carper, Assistant Foreman of Grounds, for twelve months, effective July 1, 1957.

OFFICE OF THE DEAN OF MEN

Appointments

Patricia Lou Nation, Clerk, effective September 3, 1957, for twelve months.

Mildred P. Lopp, Bookkeeper-Secretary, for twelve months, effective August 26, 1957.

Joy B. Davidson, Housemother, for twelve months, effective September 9, 1957.

Resignation

Evelyn S. Wenzel, Housemother, effective September 1, 1957.

Reappointments

Josephine Urmston, Housemother, for twelve months, effective September 1, 1957.

OFFICE OF THE DEAN OF WOMEN

Appointments

Doris M. Seward, Dean of Women, effective August 1, 1957.

Iva F. Leggett, Housemother, effective September 1, 1957, for ten months.

Sharon K. Miller, Assistant to Dean of Women effective August 1, 1957.

Charles D. Outland, Bookkeeper, effective July 1, 1957, for twelve months.

Resignations

Fithian Faries, Housemother, effective June 30, 1957.

Louella B. Daniel, Bookkeeper, effective June 30, 1957.

Angeline W. DeBattista, Secretary effective September 30, 1957.

Changes in Status

Amanda Wells, linen supervisor, Women's Residence Halls, placed on special assignment, effective September 1, 1957.

Mrs. W. C. Wright, Housemother, adjustment in salary, effective July 1, 1957.

Adjustment in Salary

Florence L. Reese, Receptionist, adjustment in salary for twelve months, effective September 1, 1957.

On motion duly made, seconded and carried, on President Dickey's recommendation, the Executive Committee concurred in the above appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes, and record was ordered made in the minutes.

W. Gifts.

From: W. G. Duncan Coal Company,
Greenville, Ky. --\$1,800.00.

President Dickey reported receipt of check for \$1,800.00 from Mr. W. G. Duncan, Jr., president of the W. G. Duncan Coal Company, Greenville, Ky., made to the Kentucky Research Foundation for use in providing two scholarships in the College of Engineering. He stated that these scholarships would be the best provided in the College of Engineering at present and recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the check for \$1,800.00 was ordered accepted, and the President was requested to write a letter of appreciation to Mr. Duncan.

From: Union Carbide Corporation, New
York, \$716.00.

President Dickey presented check for \$716.00 from the Union Carbide Corporation to the Kentucky Research Foundation, given in support of their scholarship program in the College of Engineering. The President recommended that the check be accepted.

Upon motion duly made, seconded and carried, the gift of \$716.00 from the Union Carbide Corporation was ordered accepted, and President Dickey was requested to thank the donors.

From: Kentucky Concrete Pipe Company,
Frankfort, Ky. --\$500.00.

President Dickey reported receipt of check in the amount of \$500.00, made to the Kentucky Research Foundation, from the Kentucky Concrete Pipe Company, given in support of their scholarship program. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the Board of Trustees concurred in the recommendation of the President and requested him to write a letter of appreciation to the donors.

From: Kentucky Artificial Breeding
Association--\$3,000.00.

President Dickey reported that the Kentucky Artificial Breeding Association had given to the University \$3,000.00 to be used for continuation of the Experiment Station's program in artificial breeding. He recommended that the check be accepted.

Upon motion duly made, seconded and carried, the gift of \$3,000.00 from the Kentucky Artificial Breeding Association was ordered accepted, and the President was requested to thank the donors.

From: Shelby County Trust and Banking
Company, Shelbyville, Ky. --\$250.00.

President Dickey reported receipt of \$250.00 from the Shelby County Trust and Banking Company, Shelbyville, Ky., to be used as a scholarship. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the check for \$250.00 was ordered accepted, and the President was requested to thank officials of the Shelby County Trust and Banking Company.

From: Mr. Craig P. Hazelet, Louisville,
Ky. --\$500.00.

President Dickey presented check for \$500.00 from Mr. Craig P. Hazelet, made to the Kentucky Research Foundation, to be used in support of the Hazelet and Erdal Scholarship program for civil engineering students. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the gift was ordered accepted and the President was requested to thank the donors.

From: Foundry Educational Foundation
--\$500.00.

The President reported receipt of \$500.00 from the Foundry Educational Foundation, made to the University, and stated that the gift is to be used for benefit of the College of Engineering's foundry educational program. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of the Foundry Educational Foundation was ordered accepted, and the President was requested to write to officials of the Foundation, expressing the University's appreciation for their continued support.

From: American Air Filter Foundation,
Louisville, Ky. --\$2,000.00.

The President presented check for \$2,000.00, from the American Air Filter Foundation, made to the Kentucky Research Foundation, and stated that this gift is in support of the American Air Filter Foundation Scholarships for the year 1957-58. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President, and requested him to thank the donors.

From: Carrier Foundation, Syracuse,
N. Y. --\$2,250.00.

President Dickey reported receipt of gift from the Carrier Foundation, Syracuse, N. Y., in the amount of \$2,250.00, given in support of the J. Irvine Lyle Memorial Scholarships for the year 1957-58. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the Board authorized acceptance of the gift of the Carrier Foundation, and requested President Dickey to thank officials of the Foundation.

From: Pittsburgh Consolidation Coal
Company, Pittsburgh, Pa. --\$2,500.00.

President Dickey presented check for \$2,500.00 from the Pittsburgh Consolidation Coal Company, given in support of the Pittsburgh Consolidation Coal Company Scholarships for five students for the year 1957-58. He recommended that they be accepted.

Upon motion duly made, seconded and carried, the gift of \$2,500.00 was ordered accepted and the President was requested to write a letter of appreciation.

From: Ralston Purina Company, St.
Louis, Mo. --\$500.00.

President Dickey reported that the Ralston Purina Company, St. Louis, Missouri, had given \$500.00 to the University, to be used as a scholarship in the College of Agriculture and Home Economics. He recommended that it be accepted.

Upon motion duly made, seconded and carried, the gift of \$500.00 from the Ralston Purina Company was ordered accepted and the President was requested to thank the donors.

From: WLAP, Lexington, Ky.--\$200.00.

President Dickey reported that WLAP had given to the University \$200.00 to cover the 1957-58 agricultural scholarship. He recommended that it be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to thank the officials of WLAP.

From: General Electric Educational and Charitable Fund--\$115.00.

President Dickey reported receipt of check for \$115.00 from the General Electric Educational and Charitable Fund, Schenectady, N. Y., and explained that this sum of money is equal to the sum of all gifts made to the University of Kentucky during the second matching period of the 1957 Corporate Alumnus Program by alumni who are also employees of General Electric. He recommended that the grant be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the President's recommendation and requested that he write a letter of appreciation to the donors.

From: American Society for Metals, Cleveland, Ohio--\$400.00.

President Dickey reported that he had a check for \$400.00 given to the University by the American Society for Metals to cover the ASM Foundation Scholarship in Metallurgy. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of the American Society for Metals, in the sum of \$400.00, was ordered accepted, and the President was requested to thank the donors.

From: Schlumberger Foundation, Houston, Texas--\$1,000.00.

President Dickey presented check for \$1,000.00 which he had received from Trustees of the Schlumberger Foundation in Houston, Texas, and explained that this was in payment of 1957/58 grant for a Schlumberger Collegiate Award. He recommended that it be accepted.

Upon motion duly made, seconded and carried, the donation of \$1,000.00 from the Schlumberger Foundation was ordered accepted, and the President was requested to thank trustees of that organization.

From: The Plantmix Asphalt Industry
of Kentucky--\$500.00.

President Dickey presented check for \$500.00 from the Plantmix Asphalt Industry of Kentucky, in support of their scholarship, and recommended that it be accepted.

Upon motion duly made, seconded and carried, the check of the Plantmix Asphalt Industry of Kentucky was ordered accepted and the Board requested President Dickey to thank the Executive Director, who transmitted the check.

From: Cincinnati Chapter of the Institute
of Scrap Iron and Steel--\$250.00.

President Dickey presented check for \$250.00, made payable to the University of Kentucky, from the Cincinnati Chapter of the Institute of Scrap Iron and Steel, given in support of a scholarship which the Institute has been supporting for the past several years. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift was ordered accepted, and the President was requested to thank the donors.

From: American Auxiliary to the American
Society of Mechanical Engineers,
Chevy Chase, Md.--\$500.00.

President Dickey presented check for \$500.00 from the Woman's Auxiliary to the American Society of Mechanical Engineers, given in support of the Sylvia W. Farny Scholarship awarded to a senior in the Department of Mechanical Engineering. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President, and requested him to thank the donors.

From: Western Kentucky Mining Institute,
Madisonville, Ky.--\$250.00.

President Dickey presented check for \$250.00 from Western Kentucky Mining Institute, given in support of the Henry A. Petter Scholarship. He recommended that the check be accepted.

Upon motion duly made, seconded and carried, the gift was authorized accepted, and the President was requested to write a letter of appreciation to the donors.

From: Blue Diamond Coal Company,
Knoxville, Tenn. --\$2,105.00.

President Dickey reported that the Kentucky Research Foundation had received check for \$2,105.00 from the Blue Diamond Coal Company, in support of the Alexander Bonnyman Scholarship fund. He stated that this fund is aiding five young men at the University at the present time, and recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to thank the donors.

From: Kentucky Utilities Company, Lexington, Ky. --\$500.00.

President Dickey stated that he was in receipt of check for \$500.00 from the Kentucky Utilities Company, made to the Kentucky Research Foundation, and given in support of their scholarship for the year 1957-58. He recommended that the check be accepted.

Upon motion duly made, seconded and carried, the Board authorized acceptance of the check and requested President Dickey to thank officials of the Kentucky Utilities Company.

From: Sears-Roebuck Foundation, Chicago, Illinois --Two checks for \$2,250 and \$800 respectively.

President Dickey reported that the Sears-Roebuck Foundation had presented to the University two checks, for \$2,250 and \$800, respectively, for scholarships in the College of Agriculture and the School of Home Economics for the fiscal year 1957-58. He recommended that the checks be accepted.

Upon motion duly made, seconded and carried, the checks were ordered accepted, and the President was requested to thank the Foundation.

From: The Kroger Company, Cincinnati, Ohio --\$1,000.00.

The President reported that the Kroger Company had presented to the University check for \$1,000.00 to cover the cost of four scholarships. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to write a letter of appreciation to the Kroger Company.

From: Mr. John J. Zawisza, Amsterdam,
N. Y. --\$25.00.

President Dickey presented check for \$25.00 from Mr. John J. Zawisza, Amsterdam, N. Y., which was sent as a contribution to the University under the General Electric Corporate Alumnus Program. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation, and requested the President to write a letter of appreciation to Mr. Zawisza.

From: Mr. and Mrs. Paul G. Blazer--
Share of Stock of the Ashland
Oil and Refining Company.

President Dickey announced that Mr. and Mrs. Paul G. Blazer had presented one share of stock of the Ashland Oil and Refining Company, to be added to the assets of the Ashland Oil and Refining Company Fund Account. He explained that this was one of many gifts of Mr. and Mrs. Paul G. Blazer and recommended that it be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President, and requested him to write a letter of appreciation to Mr. and Mrs. Blazer.

From: Feed Service Corporation, Crete,
Nebraska--\$3,950.00.

President Dickey presented check for \$3,950.00 from the Feed Service Corporation, and stated that this represents the final contribution on the Corporation's grant to current projects in the Experiment Station. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President, and requested him to thank the donors.

From: Mr. F. Paul Anderson--Portrait
of Dean F. Paul Anderson.

President Dickey stated that he had received a letter from Mr. F. Paul Anderson, Miami, Florida, in which Mr. Anderson offered to the University a portrait of his father, Dean F. Paul Anderson, with the understanding that it remain on display in Anderson Hall. The President stated further that he was sure this portrait would be cherished by the College of Engineering and the whole University, and recommended that it be accepted.

Upon motion duly made, seconded and carried, the gift was

ordered accepted, and President Dickey was requested to convey to Mr. F. Paul Anderson the appreciation of the Board of Trustees and the University.

From: Miss Annie May Field, Lexington,
Ky. --Matthew Jouett Miniature.

President Dickey read the following communication:

23 July 1957

Dr. Frank G. Dickey
President

My dear President Dickey:

Miss Annie May Field, 371 Linden Walk, Lexington, has transmitted to us in behalf of the late Mr. and Mrs. Dabney N. Parrish, both of Lexington, a handsome Matthew Jouett miniature of Stephen Lewis, grandfather of Mrs. Parrish. Before they passed away, the Parrishes told Miss Field that they would like for the miniature ultimately to be given to the University in memory of their son, Charles Swift Parrish, '07, now deceased.

I would like to recommend that the Board of Trustees accept this gift and that a letter of acknowledgment be sent to Miss Field.

Sincerely yours,

(Signed)

Lawrence S. Thompson
Director of Libraries

President Dickey recommended that the Matthew Jouett miniature of Stephen Lewis be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President. He was asked to convey to Miss Field the appreciation of the University for the gift.

X. Adjournment

There being no further business to come before the meeting, a motion was made, seconded and unanimously carried that the meeting adjourn.

Frank D. Peterson, Secretary
Board of Trustees and Executive
Committee