

GUIDE TO MINUTES OF MARCH 6, 1973 MEETING
OF EXECUTIVE COMMITTEE

Due to the fact that several separate resolutions relating to the refunding of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D, were introduced at this meeting with a somewhat confusing numbering of pages the following guide to the Minutes is presented to assist in an easier understanding of the proceedings. The page numbers referred to below will be found in the upper right corners. (Please disregard the page numbers found at the bottom of each page.)

The following were the principal items of business at the meeting:

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MINUTES OF THE MEETING OF THE EXECUTIVE
COMMITTEE OF THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF KENTUCKY, HELD ON TUESDAY,
MARCH 6, 1973

The Executive Committee of the Board of Trustees of the University of Kentucky convened in regular session at 10:00 o'clock A.M. , EST on Tuesday, March 6, 1973, in the Office of the Board of Trustees in the Administration Building of the University of Kentucky in Lexington, Kentucky. The following members of the Executive Committee were present: Mr. Albert G. Clay, Chairman of the Executive Committee, and Executive Committee members, Mrs. Lucile T. Blazer, Mr. Richard Cooper, Mr. Thomas Bell, Mr. George Griffin and Mr. Eugene Goss. Absent: None.

There being a quorum for the conduct of business, Chairman Clay called the meeting to order, and declared that the meeting was officially open for the conduct of business.

The Chairman called upon Mr. Lawrence E. Forgy, Vice President for Business Affairs and Treasurer of the University, to report further to the Executive Committee regarding the Project of the University instituted pursuant to a Resolution adopted by the Board of Trustees on February 20, 1973 for the refunding at a lower interest cost of all outstanding and callable "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971. Thereupon, Mr. Forgy took the floor and made a detailed report to the Executive Committee regarding said transaction, and recommending that certain action be taken by the University in connection with the adoption of a Bond

authorizing Resolution with respect to certain Refunding Bonds; approval of the Official Statement, bidding materials, and actions taken by the Financial Advisor and Bond Counsel in connection with the sale of such Refunding Bonds; the consideration of purchase bids received for the purchasing of such Refunding Bonds; and the adoption of further proceedings if the Executive Committee deemed it desirable to accept any purchase bid received.

Whereupon, Trustee Thomas Bell introduced, caused to be read, and moved adoption of the following Resolution:

A RESOLUTION AUTHORIZING THE REFUNDING AT A LOWER INTEREST COST TO THE UNIVERSITY OF KENTUCKY OF ALL REDEEMABLE OUTSTANDING UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D, HERETOFORE ISSUED UNDER DATE OF MAY 1, 1971, SUCH REFUNDING TO BE CARRIED OUT ON MAY 1, 1981; AUTHORIZING THE ISSUANCE OF CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D, DATED MARCH 1, 1973, FOR THE PURPOSE OF PROVIDING FUNDS TO EFFECTUATE SAID REFUNDING, INCLUDING PROVISION FOR THE PAYMENT OF PRINCIPAL OF AND THE PRESCRIBED REDEMPTION PREMIUM IN RESPECT OF ALL REDEEMABLE BONDS OF SAID ISSUE DATED MAY 1, 1971; PROVIDING FOR INVESTMENT OF THE PROCEEDS OF THE REFUNDING REVENUE BONDS HEREIN AUTHORIZED; PROVIDING FOR A PUBLIC SALE OF SAID REFUNDING REVENUE BONDS; AND TAKING ACTION TO PROVIDE FOR THE REDEMPTION AND PAYMENT OF THE PREVIOUSLY ISSUED BONDS DATED MAY 1, 1971, WHICH ARE TO BE REFUNDED.

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WHEREAS, under date of September 20, 1960, the Board of Trustees of the University of Kentucky, acting as the duly authorized and constituted governing body of said University, adopted a Resolution creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky, creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of said University, and providing for the issuance of said Bonds in series from time to time upon showings of compliance with certain terms, requirements and conditions in respect thereof, which are enumerated with specificity in said Resolution; and

WHEREAS, pursuant to authorization of said Resolution of September 20, 1960, the University of Kentucky has from time to time issued, pursuant to certain Series Resolutions, its Consolidated Educational Buildings Revenue Bonds, and pursuant to Resolutions adopted under date of November 27, 1967 and June 8, 1971 (hereinafter collectively sometimes referred to as the "Series D Resolution"), there were authorized, sold at public competitive sale, and issued \$34,700,000.00 principal amount of "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, of which \$34,500,000.00 principal amount thereof remain outstand-

ing and unpaid as of the instant date; and

WHEREAS, the Series D Resolution provides by its terms that all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1982, are subject to redemption at the option of the Board of Trustees of the University of Kentucky on May 1, 1981, at a redemption premium of three percent (3%), and on May 1, 1981, \$32,145,000.00 principal amount of said identified Series D Bonds will be outstanding and redeemable; and

WHEREAS, all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1981, bear interest at rates which are considered by the Board of Trustees of the University of Kentucky to be inordinately high in the light of present market conditions, and said Board of Trustees has determined that it would be in the best interests of the University of Kentucky to refund at a lower interest cost to the University all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1981, in the principal amount of \$32,145,000.00 (hereinafter sometimes referred to as the "Bonds to be Refunded"); and

WHEREAS, it has been determined, in consultation

with Financial Advisors, Bond Counsel and other Counsel, and other experts, that such refunding may best be effectuated by the issuance of Refunding Revenue Bonds, the proceeds of which will be invested in Eligible Obligations, as hereinafter defined, which shall mature or which shall be subject to redemption by the holder thereof at the option of said holder, not later than the respective date or dates when said proceeds, together with the interest accruing thereon, will be required for the refunding purposes intended and authorized; and

WHEREAS, the Refunding Revenue Bonds of the University herein authorized shall be secured until the date established for the redemption of the Bonds to be Refunded, solely as to both principal and interest, by a pledge of and lien upon the Eligible Obligations acquired by the application of the proceeds of the Refunding Revenue Bonds herein authorized, and shall not, until the refunding of the Bonds to be Refunded has been effected on May 1, 1981, be secured by the revenues of the Consolidated Educational Buildings Project and any other contractual arrangements securing the Bonds to be Refunded; but shall, as of May 1, 1981, be substituted for the Bonds to be Refunded, and be ratably entitled to all of the benefits of the Resolution adopted on September 20, 1960, in common with all other Consolidated

Educational Buildings Revenue Bonds of the University, heretofore or hereafter issued; and

WHEREAS, for the purpose of providing funds for refunding the Bonds to be Refunded as of May 1, 1981, including the payment of the redemption premium thereon, thereby taking advantage of the lower interest rates for public securities now prevailing, and effecting substantial savings, the Board of Trustees has determined that it is appropriate at this time to authorize the issuance of its "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated as of the 1st day of March, 1973, to be secured solely by a pledge of and lien upon Eligible Obligations until May 1, 1981, and thereafter, following the redemption of the Bonds to be Refunded, to be secured by a pledge of and lien upon the revenues of the Consolidated Educational Buildings Project, and to rank on a pari passu basis with all other Consolidated Educational Buildings Revenue Bonds of the University of Kentucky, heretofore and hereafter issued;

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

ARTICLE I

DEFINITIONS

Section 1.01. In addition to words and terms elsewhere defined in this Resolution, the following words and terms as used in this Resolution shall have the following meanings unless some other meaning is plainly intended:

(a) "Board" means the Board of Trustees of the University of Kentucky as created and existing under the provisions of Section 164.130, et seq., of the Kentucky Revised Statutes, or its Executive Committee created and elected pursuant to Section 164.190 of the Kentucky Revised Statutes when exercising the powers delegated to it by the Board.

(b) "Bond Fund" means the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund", created and established by the Resolution, and pledged to the payment of principal and interest on all Consolidated Educational Buildings Revenue Bonds.

(c) "Bondholder of Record" means any bondholder who shall have filed with the Trustee such showings as may be required for registration of Refunding Bonds and whose Bonds have been duly registered as provided by the Series D Refunding Resolution.

(d) "Bonds" means all series of Consolidated Educational Buildings Revenue Bonds of the Board of the issue established and created by the Resolution.

(e) "Bonds to be Refunded" means all Bonds maturing on and after May 1, 1982, of that certain issue of Bonds identified as "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, and being Bonds numbered 448 to 6,940 of said issue, all in the principal amount of \$5,000.00.

(f) "Chairman" means the Chairman and each and every Vice Chairman, and each and every officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.

(g) "Consolidated Educational Buildings Project" or "Project" means all educational buildings and necessary appurtenances heretofore erected and located on the property of the University in Fayette County, Kentucky, and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of the sale of Bonds, and excluding all housing buildings and facilities of the University and all buildings and facilities exclusively for athletics as distinguished from

those which are or may be wholly or principally for physical education.

(h) "Eligible Obligations" means direct obligations of or obligations the principal of and the interest on which are unconditionally guaranteed by the United States of America or United States Government Agency obligations; Certificates of Time Deposit issued by banks or trust companies and fully collateralized by Eligible Obligations as herein defined; Bonds, Consolidated Bonds, Collateral Trust Debentures or other obligations issued by Federal Land Banks or federal intermediate credit banks established under the Federal Farm Loan Act as amended; bonds, debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act, as amended; and bonds of any Federal Home Loan Bank established under said Act; and any securities now or hereafter authorized, both the principal of and interest on which are guaranteed directly or indirectly by the full faith

and credit of the United States of America.

(i) "Enabling Act" means Section 162.340, et seq., of the Kentucky Revised Statutes.

(j) "Paying Agents" means the Trustee or any successor trustees, together with Chemical Bank, in the Borough of Manhattan, City and State of New York, as designated in the Series D Resolution and in the Series D Refunding Resolution by action of the Board.

(k) "Redemption Fund" means the special fund created by the Series D Refunding Resolution from which principal and interest on the Refunding Bonds are to be paid until May 1, 1981, and which Fund is to be utilized on May 1, 1981, for the payment of the Bonds to be Refunded.

(l) "Refunding Bonds" means the issue of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, authorized by the Series D Refunding Resolution.

(m) "Resolution" means that certain Resolution adopted by the Board of Trustees of the University of Kentucky on September 20, 1960, creating a Consolidated Educational Buildings Project of the University of Kentucky.

(n) "Revenues" means all revenues derived from the Con-

solidated Educational Buildings Project, and which Revenues are to be derived through the imposition and collection of a student registration fee from all students attending the University of Kentucky and its Extension Program in Fayette County, Kentucky, for the services furnished by the Consolidated Educational Buildings Project.

(o) "Secretary" means 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.

(p) "Series D Refunding Resolution" means this Resolution.

(q) "Series D Resolution" means collectively, those certain Resolutions of the Board of Trustees of the University of Kentucky adopted on November 27, 1967 and June 8, 1971, authorizing the issuance and sale of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D.

(r) "Series of Bonds" or "Bonds of a Series" means a Series of Bonds issued by a Series Resolution.

(s) "Series Resolution" means a Resolution supplemental to the Resolution authorizing the issuance of a Series of Bonds.

(t) "Treasurer" means 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.

(u) "Trustee" means First Security National Bank and Trust Company of Lexington, duly designated as Trustee for said Consolidated Educational Buildings Revenue Bonds by action of the Board.

(v) "University" means the University of Kentucky situated in Lexington, Fayette County, Kentucky.

ARTICLE II

AUTHORIZATION OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D

Section 2.01. Limitations. No Refunding Bonds may be issued under the provisions of this Series D Refunding Resolution except in strict accordance with the provisions of this Article.

Section 2.02. Declaration of Legislative Intent. It is hereby resolved, ordered and declared by the Board that the refunding at a lower interest cost of the Bonds to be Refunded, by the issuance of the Refunding Bonds herein authorized, is in

the best interests of the University, will result in a material and substantial monetary saving to the University, and will constitute the performance and carrying out of a proper public purpose. The issuance of Refunding Bonds as particularly described in this Article II is authorized and shall be carried out forthwith, and it is ordered that the Bonds to be Refunded shall be called and redeemed upon the terms and conditions stipulated in the Series D Resolution on May 1, 1981.

Section 2.03. Authorization of Refunding Bonds. For the purpose of providing funds for the purpose of refunding on May 1, 1981, all of the University's then outstanding Consolidated Educational Buildings Revenue Bonds, Series D, dated May 1, 1971 (the Bonds to be Refunded), including the payment of the redemption premium thereon, there are hereby authorized to be issued University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds in the aggregate principal amount of Thirty-One Million
Dollars (\$31,000,000.00). Said Bonds shall be dated as of March 1, 1973, and shall consist of () Bonds of the denomination of Five Thousand Dollars (\$5,000.00) each, numbered

consecutively from one (1) to six thousand two hundred (6,200) inclusive, bearing interest payable on November 1, 1973, and thereafter semiannually on May 1 and November 1 of each year to payment of principal, to be evidenced by coupons attached to said Bonds. Said Refunding Bonds shall bear interest at such coupon rate or rates as may be fixed by Resolution of the Board, or its Executive Committee, as a result of an advertised, public, competitive sale of said Refunding Bonds. Said Refunding Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
<u>1-117</u>	<u>\$ 585,000.00</u>	<u>May 1, 1982</u>
<u>118-241</u>	<u>620,000.00</u>	<u>May 1, 1983</u>
<u>242-372</u>	<u>655,000.00</u>	<u>May 1, 1984</u>
<u>373-511</u>	<u>695,000.00</u>	<u>May 1, 1985</u>
<u>512-658</u>	<u>735,000.00</u>	<u>May 1, 1986</u>
<u>659-882</u>	<u>1,120,000.00</u>	<u>May 1, 1987</u>
<u>883-1121</u>	<u>1,195,000.00</u>	<u>May 1, 1988</u>
<u>1122-1471</u>	<u>1,750,000.00</u>	<u>May 1, 1989</u>
<u>1472-1843</u>	<u>1,860,000.00</u>	<u>May 1, 1990</u>
<u>1844-2236</u>	<u>1,965,000.00</u>	<u>May 1, 1991</u>
<u>2237-2653</u>	<u>2,085,000.00</u>	<u>May 1, 1992</u>
<u>2654-3094</u>	<u>2,205,000.00</u>	<u>May 1, 1993</u>
<u>3095-3561</u>	<u>2,335,000.00</u>	<u>May 1, 1994</u>
<u>3562-4056</u>	<u>2,475,000.00</u>	<u>May 1, 1995</u>
<u>4057-4579</u>	<u>2,615,000.00</u>	<u>May 1, 1996</u>
<u>4580-5180</u>	<u>3,005,000.00</u>	<u>May 1, 1997</u>
<u>5181-5815</u>	<u>3,175,000.00</u>	<u>May 1, 1998</u>
<u>5816-6200</u>	<u>1,925,000.00</u>	<u>May 1, 1999</u>

Section 2.04. Place of Payment. The principal of and interest on said Refunding Bonds shall be payable in any coin or currency of the United States of America, which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, Trustee, or at the option of the holders of the respective Refunding Bonds and coupons, at the principal office of Chemical Bank, in the Borough of Manhattan, City and State of New York, which financial institutions are hereby appointed and designated as Paying Agents for the Refunding Bonds.

Section 2.05. Redemption Provisions. The Refunding Bonds maturing on May 1, 1984 and thereafter (being the Bonds numbered 262 and upwards) shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1983, at the redemption prices expressed in percentages of principal amount, with respect to each Bond, as set forth below, plus in each case accrued interest to the date of redemption:

<u>IF REDEEMED</u>	<u>REDEMPTION PRICE</u>
On or after May 1, 1983 and prior to May 1, 1987	104%
On or after May 1, 1987 and prior to May 1, 1992	103%
On or after May 1, 1992 and prior to May 1, 1997	102%
On and after May 1, 1997 and prior to final maturity	101%

Section 2.06. Execution of Bonds. Said Refunding Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Refunding Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Refunding Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman and said Secretary.

Section 2.07. Execution of Bonds by Trustee. It is acknowledged that First Security National Bank & Trust Company of Lexington, Lexington, Kentucky, was designated by the Series D Resolution as Trustee for the benefit of all of the holders

of said Bonds to be Refunded; and as the Refunding Bonds will, as of May 1, 1931, be substituted for the Bonds to be Refunded and will, on and after said date be entitled to all of the rights and incidences appertaining thereto, First Security National Bank & Trust Company of Lexington, Lexington, Kentucky, is hereby reaffirmed as Trustee in connection with the Refunding Bonds, to secure for the benefit of all of the holders of said Refunding Bonds the faithful performance of the covenants and provisions contained in the Resolution, the Series D Resolution, and the Series D Refunding Resolution, in the manner and to the extent as permitted and provided in the Resolution, the Series D Resolution, and the Series D Refunding Resolution, with all powers and duties as set forth in said identified Resolutions. Execution of the Certificate of Authentication of the Trustee on each of the respective Refunding Bonds by the Trustee shall conclusively establish the acceptance by the Trustee, as to such Refunding Bonds, of the trusts and provisions with respect thereto, as set forth in the Resolution, the Series D Resolution, and this Series D Refunding Resolution.

Only such of the Refunding Bonds as shall have endorsed thereon a Certificate of Authenticity substantially

in the form hereinafter set forth in Section 2.12 hereof, duly executed by the Trustee, shall be entitled to any benefits or security under this Series D Refunding Resolution. No Refunding Bond and no coupon appertaining to any Refunding Bond shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee, and such Certificate of the Trustee upon any such Refunding Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Series D Refunding Resolution. The Trustee's Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time. Before authenticating or delivering any coupon Bonds the Trustee shall detach and cancel all matured coupons, if any, appertaining thereto except any coupons which represent unpaid interest.

Section 2.08. Title to any Refunding Bond. Title to any Refunding Bond, unless such Refunding Bond is registered in the manner provided in the Resolution, and to any interest

coupon, shall pass by delivery in the same manner as a negotiable instrument payable to bearer. The Trustee as bond registrar, shall keep books for the registration and for the transfer of Bonds. At the option of the bearer, any Refunding Bond may be registered as to principal alone on such books upon presentation thereof to the Trustee as bond registrar, which shall make notation of such registration thereon. Any such Refunding Bond registered as to principal alone may thereafter be transferred only upon an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee as bond registrar, such transfer to be made on such books and endorsed on the Bond by the Trustee. Such transfer may be to bearer and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before. The principal of any Refunding Bond registered as to principal alone shall be payable only to or upon the order of the registered owner or his legal representative, but the coupons appertaining to any Refunding Bond registered as to principal alone shall remain payable to bearer notwithstanding such registration.

Any person in possession of any Refunding Bond, unless such

Refunding Bond shall be registered as to principal alone, or of any coupon appertaining to any Refunding Bond, whether such Refunding Bond shall be registered as to principal alone or not, regardless of the manner in which he shall have acquired possession, is hereby authorized to represent himself as the absolute owner of such Refunding Bond or coupon, as the case may be, and is hereby granted power to transfer absolute title thereto, by delivery thereof before the maturity of such Refunding Bond, to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his transferor or any person in the chain of title. Any registered owner of any Registered Bond registered as to principal alone is hereby granted power to transfer absolute title thereto, by assignment thereof before the maturity of such Bond, to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title. Every prior holder or owner of any Refunding Bond or of any coupon appertaining to any Refunding Bond shall be deemed to have waived and renounced all of his equities or rights therein in favor of every such bona fide purchaser, and every such bona fide

purchaser shall acquire absolute title thereto and to all rights represented thereby.

Section 2.09. Substitution for Lost and Mutilated Revenue Bonds. In case any Refunding Bond authorized hereunder shall become mutilated, destroyed or lost, the Board shall cause to be executed and the Trustee shall authenticate and deliver a new Refunding Bond of like date and tenor in exchange and substitution for, and upon the cancellation of, such mutilated Refunding Bond and its interest coupons, if any; or in lieu of and in substitution for such Refunding Bond and its coupons, if any, destroyed or lost, upon the holder's paying the reasonable expenses and charges of the Board and the Trustee in connection therewith and, in the case of a Refunding Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it and to the Board that such Refunding Bond and coupons, if any, were destroyed or lost, and of his ownership thereof, and furnishing to the Board and Trustee indemnity satisfactory to them.

Section 2.10. Signatures Valid Notwithstanding Change in Status. In case any officer whose signature or a facsimile of whose signature shall appear on any Refunding Bond or coupons shall cease to be such officer before the delivery of such

Refunding Bond or coupons, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if said officer had remained in office until such delivery. Further, any Refunding Bond or coupon may bear the facsimile of, or may be signed by, such persons as at the actual time of the execution of such Refunding Bond or coupons shall be the proper officers to sign such Refunding Bond or coupons, although at the date of such Refunding Bond or coupons such persons may not have been such officers.

Section 2.11. Confirmation of Resolution and Series D Resolution. All terms, provisions and conditions of the Resolution creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky and establishing an issue of Consolidated Educational Buildings Revenue Bonds, and the Series D Resolution, are hereby confirmed, ratified, readopted and continued in all respects, and the provisions of said Resolution and Series D Resolution in respect to the application of Revenues of the Project, the Bond Fund, security, and all other matters to the extent not inconsistent with the terms of this Series D Refunding Resolution shall, from and after May 1, 1981, apply fully to said Refunding Bonds, which shall, from and after said date, be deemed to have been issued

under and pursuant to, and secured by, said Resolution.

Section 2.12. Form of Refunding Bonds. The Refunding Bonds and coupons and provisions for registration appertaining thereto, and the Certificate of the Trustee to be endorsed on said Refunding Bonds shall be in substantially the following respective forms, to-wit:

FORM OF BOND

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BOND
SERIES D

No. _____ \$5,000.00

The Board of Trustees of the University of Kentucky, a body corporate, and an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely and only from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of Five Thousand Dollars (\$5,000.00) on the first day of May, 19____, and to pay, solely and only from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ percent (____%)

per annum, such interest being payable semiannually on the first days of May and November in each year, commencing November 1, 1973, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof or of the interest coupons hereto apertaining, at the principal office of Chemical Bank, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", issued and to be issued under and in full compliance with a certain Resolution of the Board of Trustees (the "Series D Refunding Resolution") and 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, for the purpose of providing funds for refunding on May 1, 1981, all the "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, which are stated to mature

after May 1, 1981 and are then outstanding (herein called the "Bonds to be Refunded"), and which were issued under and pursuant to the Resolution adopted by the Board of Trustees on September 20, 1960 (hereinafter referred to as the "Resolution"), and Resolutions adopted by the Board of Trustees, acting through its statutory Executive Committee, on November 27, 1967, and June 8, 1971 (hereinafter referred to as the "Series D Resolution").

As provided in the Resolution, Consolidated Educational Buildings Revenue Bonds (herein referred to as the "Bonds") may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally

secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", (herein called the "Refunding Bonds") issued in the aggregate amount of \$ 31,000,000.00 for the purpose of refinancing at a lower interest cost the Bonds to be Refunded, which were initially issued for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said University (hereinafter referred to as the "Project"). Copies of the Series D Refunding Resolution, the Resolution, and the Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Series D Resolution and the Series D Refunding Resolution, pursuant to which First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one, and for the provisions, among others, with respect to the custody and application of the pro-

ceeds of the Bonds; 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 the Series D Resolution, the Series D Refunding Resolution and the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond, the Resolution, the Series D Resolution or the Series D Refunding Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution, the Series D Resolution, or the Series D Refunding Resolution, or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Resolution, the Series D Resolution, or the Series D Refunding Resolution; or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Series D Refunding Resolution and the Resolution. This Bond and the

series of which it forms a part are payable (a) as to interest coupons maturing on and prior to May 1, 1981, solely and only from the yield produced by the investment of the net proceeds of the Refunding Bonds in Eligible Obligations as provided in the Series D Refunding Resolution, which Eligible Obligations and the yield therefrom are held in a special account designated "Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund" (herein called the "Redemption Fund"), and (b) as to principal, and as to interest maturing after May 1, 1981 (except upon the occurrence of certain events of default as defined in the Series D Refunding Resolution) solely and only from a pledge of a fixed amount of the gross Revenues of the Project, as hereinafter stated. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues

of said Project to pay interest on all Consolidated Educational Buildings Revenue Bonds issued pursuant to authority of the Resolution as the same becomes due, and to pay or retire the principal of such Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest. Upon redemption of the Bonds to be Refunded, this Refunding Bond and the series of which it is a part will constitute a duly authorized series of Consolidated Educational Buildings Revenue Bonds pursuant to the Resolution, and in common with all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, will be payable as to principal and interest solely and only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute an 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.

The Bonds maturing May 1, 1984, and thereafter (being the Bonds numbered 242 and upwards) shall be subject to redemption at the option of the Board of Trustees in whole or from

time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1983, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1983, and prior to May 1, 1987	104%
On and after May 1, 1987, and prior to May 1, 1992	103%
On and after May 1, 1992, and prior to May 1, 1997	102%
On and after May 1, 1997, and prior to final maturity.	101%

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

tion date.

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

From and after May 1, 1981, a statutory mortgage lien,

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

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

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Trustees and of the University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or

Statutes of Kentucky; that said Project will be continuously operated, and that the income and revenues derived from the sources hereinabove particularly identified have been pledged to and will be set aside into special funds for the payment of the principal of and interest on this Refunding Bond and the issue of which it is one, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Trustees of the University of Kentucky has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all being done as of the first day of March, 1973.

(Facsimile of Seal)

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

ATTEST:

(Manual Signature)
Secretary
Board of Trustees

(FORM OF COUPON)

No. _____ \$ _____

On the first day of _____, 19____, (1) (unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Trustees of the University of Kentucky, at Lexington, Kentucky, will pay to bearer _____ Dollars (\$ _____) in any coin or currency which at the time of payment thereof is legal tender for the payment of public and private debts out of its (2) ("Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund") (3) ("Consolidated Educational Buildings Project Bond and Interest Sinking Fund") at the principal office of First Security National Bank and Trust

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- (1) The phrase in parenthesis should appear only on coupons maturing on and after May 1, 1983, attached to Bonds numbered 118 to 6200, inclusive.
- (2) The phrase in parenthesis should appear only on coupons maturing to and including May 1, 1981.
- (3) The phrase in parenthesis should appear only on coupons maturing after May 1, 1981.

Company of Lexington, in the City of Lexington, Kentucky, or,
at the option of the holder hereof, at the principal office
of Chemical Bank New York Trust Company, in the City of
New York, New York, as provided in and for interest then due
on its Consolidated Educational Buildings Refunding Revenue
Bond, Series D, dated March 1, 1973, Number _____.

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

(Facsimile)
Secretary
Board of Trustees

CERTIFICATE OF AUTHENTICATION

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

FIRST SECURITY NATIONAL BANK AND
TRUST COMPANY OF LEXINGTON, TRUSTEE

By _____ (Manual Signature)
Authorized Officer

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

Date of Registration	:	Name of Registered Holder	:	Signature of Authorized Officer of Trustee
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	

ARTICLE III

PROVISIONS RELATING TO SALE OF BONDS

Section 3.01. Public Competitive Sale. The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a Bond Sale Notice in respect of the Refunding Bonds to be published in The Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford statewide notice of the sale, and in The Daily Bond Buyer, a financial journal published in the Borough of Manhattan, City and State of New York, which is a publication having general circulation among bond buyers, said newspaper and financial journal being hereby declared to be qualified to publish said Bond Sale Notice for the Board of Trustees within the meaning and provisions of KRS Chapter 424. Such Bond Sale Notice shall be published in said newspaper and

financial journal at least once and shall appear not less than seven (7) days nor more than twenty-one (21) days prior to the scheduled sale of said Refunding Bonds.

Section 3.02. Approval of Notice and Official Statement.

An appropriate form of "Notice of Sale of Refunding Bonds" soliciting sealed competitive bids for the purchase of all of the Refunding Bonds hereby authorized having been prepared by Bond Counsel, such form of "Notice of Sale of Refunding Bonds" is hereby approved and may be utilized for the purposes stated. An "Official Statement" setting forth and disclosing the terms and conditions of the Refunding Bond sale, together with data customarily presented in matters of this nature to prospective Bond purchasers having been prepared and submitted by the Financial Advisors, said Official Statement is hereby approved and shall be utilized in connection with the public, competitive sale of the Refunding Bond issue.

Section 3.03. Award of Refunding Bonds. Upon the day and at the hour determined for the opening and consideration of purchase bids for the Refunding Bonds, sealed bids theretofore received by the Secretary shall be delivered to the Board or to its Executive Committee, then in session and shall be publicly opened and publicly read by the Chairman. Any purchase bid which

is found to fail to conform to the stipulated terms and conditions of the bidding shall be rejected (the Board reserving the right, however, to waive minor informalities and irregularities in the bidding), and all bids which conform to the prescribed terms and conditions of the offering shall be compared, and the Board covenants and agrees that it will accept the lowest and best of such bids as measured in terms of the lowest interest cost to the University. Provided, however, that inasmuch as the Refunding Bonds are being issued for the purpose of providing a substantial monetary saving to the University, the Board reserves the right to reject all bids received in the event the Board should in its sound discretion determine that the quantum of monetary savings afforded to the University by the lowest and best bid submitted is not deemed to be satisfactory.

Section 3.04. Acceptance of Bid. Subject to all of the foregoing conditions of this Article III, if the Board or its Executive Committee shall accept a purchase bid for the Refunding Bonds, as authorized by this Series D Refunding Resolution, the Board or its Executive Committee shall adopt a resolution to that effect, supply proper evidence of such acceptance to the bidder or bidders submitting the accepted purchase bid, and direct the Financial Advisor to proceed forthwith in the preparation of definitive Refunding

Bonds and the delivery of same upon the order of the Board.

ARTICLE IV

CUSTODY AND APPLICATION OF PROCEEDS OF REFUNDING BONDS

Section 4.01. Delivery of Refunding Bonds to Purchaser.

Following the advertised public, competitive sale of said Refunding Bonds, said Refunding Bonds shall be prepared and executed substantially in the form and manner set forth in Article II of this Series D Refunding Resolution, and shall be deposited with the Trustee for authentication; provided, however, that before said Refunding Bonds shall be authenticated and delivered by the Trustee to the purchaser, there shall be filed with the Trustee, the following:

- (a) a copy, certified by the Secretary of the Series D Refunding Resolution authorizing the issuance of said Refunding Bonds;
- (b) a copy, certified by the Secretary of the resolution adopted by the Board awarding said Refunding Bonds, specifying the interest rate or rates of said Refunding Bonds, and directing the authentication and delivery of said Refunding Bonds to or upon the order of the purchaser therein named upon payment of the purchase price therein set forth.

When the documents mentioned above in this Section 4.01 shall have been filed with the Trustee, and when said Refunding Bonds have been executed and authenticated as required by this Series

D Refunding Resolution, the Trustee shall deliver said Bonds at one time to or upon the order of the purchaser named in the resolution mentioned in clause (b) of this Section 4.01, but only upon payment to the Trustee of the purchase price plus accrued interest of said Refunding Bonds. The Trustee shall be entitled to rely upon such Resolution as to the names of the purchaser or purchasers, and the amount of such purchase price.

Section 4.02. Creation of Redemption Fund. A special Fund is hereby created and established, and same is designated as the "Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund" (the "Redemption Fund"), to the credit of which such deposits shall be made as are required by Section 4.03 of this Series D Refunding Resolution.

The moneys and Eligible Obligations in the Redemption Fund shall be held by the Trustee in trust and shall be applied in accordance with the provisions of this Article IV, and, pending such application, shall be subject to a lien and right in favor of the holders of the Refunding Bonds and for the further security of such holders until paid out as herein provided.

Section 4.03. Application of Bond Proceeds. The proceeds

of said Refunding Bonds shall be applied by the Trustee simultaneously with the delivery of said Refunding Bonds, as follows:

- (1) Accrued interest received from the purchaser or purchasers of the Refunding Bonds shall be held in cash and used to pay first maturing interest on the Refunding Bonds.
- (2) From the remaining proceeds, there shall first be deducted and paid all fees and costs incident to said issue of Refunding Bonds, including, but not by way of limitation, sums payable for financial advisory and legal services, charges which may be due and payable to bond rating services, and which are obligations properly paid from the proceeds of the Refunding Bonds, the initial fee of the Trustee, if any, and all other similar obligations, such payments to be made upon order of the Treasurer of the Board.
- (3) The balance of the proceeds of said Bonds shall, as nearly as may be practicable, be invested and reinvested by the Trustee in Eligible Obligations which shall mature or which shall be subject to redemption by the holder thereof at the option of such holder not later than the respective dates when moneys held for the credit of the Redemption Fund will be required for the purposes intended (being, as aforesaid, payment of interest on said Refunding Bonds to and including May 1, 1981, and redemption of the Bonds to be Refunded as of May 1, 1981).

Eligible Obligations so purchased as an investment of moneys in said Redemption Fund shall be deemed at all times to be a part of said Redemption Fund, and the interest accruing thereon and any profits realized from such investment shall

be credited to said Redemption Fund, and any loss resulting from such investment shall be charged to said Redemption Fund. The Trustee shall sell at the best price obtainable or present for redemption any Eligible Obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from said Redemption Fund. Neither the Trustee nor the University shall be liable or responsible for any loss resulting from such investments in Eligible Obligations.

Section 4.04. Payment of Interest on Refunding Bonds. The Trustee shall, on or immediately preceding each interest payment date to and including May 1, 1981, withdraw from the Redemption Fund and deposit in trust with the Paying Agents the amounts required for paying the interest on the Refunding Bonds as such interest becomes due and payable.

Section 4.05. Redemption of Bonds to be Refunded. The Trustee shall, on or immediately preceding May 1, 1981, the date fixed for the redemption of the Bonds so to be Refunded, withdraw from the Redemption Fund and deposit in the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" created by the Resolution (but in a segregated account, so that said funds will not be commingled with other moneys

in said Fund), an amount sufficient to pay the principal on, and the redemption premium in respect of the Bonds to be Refunded. Excess funds shall be paid over into the Bond Fund.

Section 4.06. Unclaimed Moneys. All moneys which the Trustee shall have withdrawn from the Redemption Fund and set aside and deposited with the Paying Agents for the purpose of paying any maturing coupons appertaining to any of the Refunding Bonds, shall be held in trust for the respective holders of such coupons. But any moneys which shall be so set aside and deposited by the Trustee and which shall remain unclaimed by the holders of such coupons for the period of ten (10) years after the date on which such coupons shall have become due and payable, shall, upon request in writing, be paid to the University or to such officer, board, or body, as may then be entitled by law to receive the same, and thereafter the holders of such coupons shall look only to the Board or to such officer, board, or body, as the case may be, for payment, and then only to the extent of the amount so received without any interest thereon, and the Trustee and the Paying Agents shall have no responsibility with respect to such money.

Section 4.07. Cancellation of Refunding Bonds. All Bonds

to be Refunded, together with all unmatured coupons, if any, appertaining thereto, shall be cancelled upon the redemption and payment of said Bonds on May 1, 1981. All coupons shall be cancelled upon their payment. All Bonds to be Refunded and coupons cancelled under any of the provisions of this Series D Refunding Resolution shall be destroyed by the Trustee or by any Paying Agent at the request of the Trustee. The Trustee or the Paying Agent effecting such destruction shall execute a Certificate of Destruction in duplicate, describing the Bonds to be Refunded and coupons so destroyed, and one executed Certificate shall be filed with the University, and the other executed Certificate shall be retained by or filed with the Trustee.

Section 4.08. Depository of Moneys. All moneys received by the Board under the provisions of this Series D Refunding Resolution and all Eligible Obligations purchased as an investment of such moneys shall be deposited with the Trustee. All moneys and obligations deposited under the provisions of this Series D Refunding Resolution with the Trustee shall be held in trust and applied only in accordance with the provisions of this Series D Refunding Resolution, and shall not be subject to lien or attachment of any creditor of the Common-

wealth of Kentucky, the Board, or the University.

ARTICLE V

PUBLICATION OF NOTICE OF REDEMPTION OF BONDS TO BE REFUNDED

Section 5.01. Sale of Refunding Bonds Constitutes Automatic Call of Bonds to be Refunded. In the event the Board, or its Executive Committee, shall in its sound discretion receive and accept a bid for the purchase of the Refunding Bonds authorized by this Series D Refunding Resolution, then in such case, the formal action of the Board in accepting a bid for the purchase of such Refunding Bonds shall constitute in itself and without the necessity of any other affirmative action on the part of the Board an election of the Board to exercise the previously reserved option to call, redeem, pay and retire on May 1, 1981, all of the redeemable Bonds of the Series of "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, as set forth in the Series D Resolution.

Section 5.02. Formal Notice. Should such election to call and redeem said identified Bonds to be Refunded be made by acceptance of a purchase proposed for said Refunding Bonds, the Secretary is hereby authorized and directed, at or prior

to delivery of said Refunding Bonds, to execute such appropriate notice of redemption as to said Bonds to be Refunded as may be prepared by Bond Counsel; and the Secretary is hereby authorized and directed to cause a copy of said Notice regarding the redemption of said Bonds to be Refunded to be published one time in The Courier-Journal, Louisville, Kentucky, as constituting a newspaper of general circulation throughout Kentucky, and one time in The Daily Bond Buyer, published in the Borough of Manhattan, City and State of New York, as constituting a financial journal of general circulation published in New York, New York, all as required by the Series D Resolution.

Section 5.03. Reminder Notice. The Board hereby determines and declares that publication, as above authorized, of an acceptable form giving notice of the redemption of the Bonds to be redeemed, will constitute completion of the legal publication requirements incident to the calling for redemption by the University for payment on May 1, 1981 of all the outstanding and redecmable Bonds of the aforesaid "Consolidated Educational Buildings Revenue Bonds, Series D", heretofore issued under date of May 1, 1971. Notwithstanding the same, it is recognized that it may be desirable to cause publi-

cation of the identical notice to be made in the same manner within a reasonable time prior to May 1, 1981 as a reminder to the owners and holders of the Bonds to be Refunded. Accordingly, only as a supplemental or reminder notice and without in any manner affecting the proceedings for the redemption of said Bonds to be Refunded on May 1, 1981, it is hereby ordered that copies of the same Redemption Notice shall be delivered to the University's Financial Advisor and to the Trustee, with authorization to each of said parties to cause such Notice to be again published in The Courier-Journal, Louisville, Kentucky, and The Daily Bond Buyer, New York, New York, or their successors, within a reasonable time and more than thirty (30) days prior to May 1, 1981.

ARTICLE VI

SECURITY

Section 6.01. Security Until May 1, 1981. Pursuant to the provisions of this Series D Refunding Resolution, all outstanding and unpaid Refunding Bonds and the interest coupons appurtenant thereto shall be and are equally and ratably secured until May 1, 1981 by a pledge of and lien upon the principal of, and yield to be derived from, the applicable portion of the proceeds of said Refunding Bonds which is required by the Series

D Refunding Resolution to be deposited in the Redemption Fund and invested in Eligible Obligations. As ordered aforesaid, on May 1, 1981, said Redemption Fund shall be used for payment of principal of, and the redemption, the premium in respect of, , the Bonds to be Refunded. So long as any Refunding Bonds or interest coupons appertaining thereto remain outstanding and unpaid, such principal and yield in respect of the Eligible Obligations may be used only as provided in this Series D Refunding Resolution, and during such period the terms and conditions of this Series D Refunding Resolution shall be irrevocable and may not be amended or modified in any manner to the detriment of the Bondholders.

Section 6.02. Security After May 1, 1981. From and after May 1, 1981, the outstanding and unpaid Refunding Bonds shall be a charge equally secured by a pledge of and lien upon the Revenues of the Project as defined in the Resolution, and shall rank on a pari passu basis with all other series of like Bond heretofore and hereafter issued pursuant to authority of the Resolution.

Section 6.03. Covenant Against Further Issues Payable From Redemption Fund. The University hereby covenants that it shall not issue any bonds or other obligations payable in

any manner from the Redemption Fund ranking on a parity with the Refunding Bonds; provided, however, that as specifically authorized by the Resolution, the University reserves the right to continue in the future to issue further series of parity bonds secured by a pledge of and lien upon the Revenues of the Project, as defined in the Resolution.

Section 6.04. Computation of Parity to May 1, 1981. In making computations in respect of the issuance of further parity issues of Consolidated Educational Buildings Revenue Bonds as permitted by the Resolution, the amortization requirements of the Refunding Bonds to and until May 1, 1981 shall be disregarded, inasmuch as the Refunding Bonds, and interest thereon, are not, until that date, made payable from the Revenues. Thereafter, the amortization requirements incident to the Refunding Bonds shall be determined in making such parity bond computations as are required by the Resolution.

ARTICLE VII

REFUNDING BONDS TO BE SECURED BY PROJECT REVENUES AFTER MAY 1, 1981

Section 7.01. Recitation. The Refunding Bonds herein authorized to be issued having been issued for the refinancing, as of May 1, 1981 of all Bonds then outstanding and redeemable of the series of "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, and the extinguish-

ment of all legal rights incident to said Bonds to be Refunded being scheduled to occur on May 1, 1981, it is hereby declared, resolved and ordered that from and after May 1, 1981, the Refunding Bonds shall be fully and completely secured by the Revenues of the Project in common equally, and ranking on a parity with, all other series of Consolidated Educational Buildings Revenue Bonds of the University of Kentucky, whether heretofore or hereafter issued.

Section 7.02. Resolution Confirmed. It is hereby ordered, resolved and declared that from and after May 1, 1981, all of the terms, conditions and provisions incorporated in the Resolution shall pertain to and shall be effective with respect to the Refunding Bonds.

ARTICLE VIII

PARTICULAR COVENANTS

Section 8.01. Prompt Payment. The Board covenants that it will promptly pay the principal of and interest on every Refunding Bond issued under the provisions of this Series D Refunding Resolution at the places, on the dates and in the manner provided herein and in said Refunding Bonds and in any coupons appertaining to said Refunding Bonds, according to the true intent and meaning thereof. Such interest to and including

May 1, 1981, is payable solely from the yield accruing on the Eligible Obligations and other moneys held for the credit of the Redemption Fund, which yield and other moneys, to the extent provided in this Series D Refunding Resolution are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified, and nothing in the Bonds or coupons or in this Series D Refunding Resolution shall be construed as obligating the University of Kentucky, the Commonwealth of Kentucky, or any political subdivision thereof, to pay, until after May 1, 1981, the interest thereon except from the yield accruing on the Eligible Obligations held for the credit of the Redemption Fund and such other moneys, or as pledging the faith and credit or taxing power of the Commonwealth of Kentucky or of any such political subdivision. As noted aforesaid, following redemption of the Bonds to be Refunded, the Refunding Bonds and interest thereon shall be payable ratably from the Revenues of the Project.

Section 8.02. No Diversion. The Board covenants that none of the yield accruing on the Eligible Obligations held for the credit of the Redemption Fund will be used for any purpose other than as provided in this Series D Refunding Resolution, and no contract or contracts will be entered into or any action taken which shall be inconsistent with the provisions of this Series D Resolution.

Section 8.03. Arbitrage. The Board covenants that it will make or permit no use of, and hereby directs the Trustee to make no use of, any of the proceeds of the Refunding Bonds which, if such use had been reasonably expected on the date of issuance of said Bonds, would have caused said Bonds to be "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, and such regulations adopted from time to time under said Section 103(d) as may be applicable to said Bonds, and further covenants that it will comply throughout the term of the issue with the requirements of said Section 103(d) and any such applicable regulations.

Section 8.04. Further Assurances. The Board covenants that it will, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the true purposes of this Series D Refunding Resolution.

ARTICLE IX

CONCERNING THE TRUSTEE

Section 9.01. Trust Duties Vest Only During Period Prior to May 1, 1981. It is acknowledged that the Trustee has assumed certain trust duties pursuant to the Resolution and the Series D Resolution in respect of the Consolidated Educa-

tional Buildings Revenue Bonds of the University. The trust duties enumerated in this Article IX shall be in force and effect during the period from the issuance and delivery of the Refunding Bonds and until May 1, 1981, and shall apply only in respect to the Refunding Bonds.

Section 9.02. Acceptance of Trusts. The Trustee accepts and agrees to execute the trusts imposed upon it by this Series D Refunding Resolution, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Series D Refunding Resolution.

Section 9.03. Limitations. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Series D Refunding Resolution, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, with-

out indemnity, and in such case the Board shall reimburse the Trustee for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith.

Section 9.04. No Responsibility for Validity of Proceedings or Bonds. The Trustee shall have no responsibility in respect of the validity or sufficiency of this Series D Refunding Resolution or the due execution thereof, or in respect of the validity of the Refunding Bonds or of the coupons or the due execution or issuance thereof. The Trustee shall be under no obligation to see that any duties herein imposed upon the Board, the alternate Paying Agent, or any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

Section 9.05. No Liability for Failure of Board to Perform. The Trustee shall not be liable or responsible because of the failure of the Board or any of the employees or agents thereof to perform any act herein required of the Board. The Trustee shall not be responsible for the application of any of the

proceeds of the Refunding Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder, if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Series D Refunding Resolution. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.06. Compensation. Subject to the provisions of any contract between the Board and the Trustee relating to the compensation of the Trustee, the Board shall pay to the Trustee reasonable compensation for all services performed by it hereunder and also all of its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of its powers and duties hereunder, and shall indemnify and save the Trustee harmless against any liability which it may incur in the exercise and performance of its powers and duties hereunder.

Section 9.07. Duties. It shall be the duty of the Trustee, on or before the 10th day of May and November of each year (after May 1, 1973) to file with the Board a statement setting forth in respect of the preceding six (6) months:

- (a) the amount withdrawn by it and the amount deposited with it on account of the Redemption Fund and the Refunding Bonds and coupons paid and cancelled;
- (b) the amount on deposit with it at the end of such six (6) months' period to the credit of said Redemption Fund;
- (c) a brief description of all Eligible Obligations held by it as an investment of moneys in said Fund; and
- (d) any other Redemption Fund information which the Board may reasonably request.

Section 9.08. Investigations; Reliance on Board. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Series D Refunding Resolution provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Series D Refunding Resolution, and any such certificate shall be evidence of such fact to protect it in any action that it may or may not take, or in respect of anything it may or may not do in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Series D Refunding Resolution, any request, notice, certificate or other instrument from the Board to the Trustee

shall be deemed to have been signed by the proper party or parties if signed by an officer or employee of the Board who shall be designated by the Board by resolution for such purpose, and the Trustee may accept and rely upon a certificate signed by the Secretary of the Board as to any action taken by the Board.

Section 9.09. Notification by Bondholders. Except upon the happening of any event of default specified in clauses (a), (b), (d) and (e) of Section 10.02 of this Series D Refunding Resolution, the Trustee shall not be obliged to take notice or to be deemed to have notice of any event of default hereunder, unless specifically notified in writing of such event of default by the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds hereby secured and then outstanding.

Section 9.10. Trustee May Own Refunding Bonds. The bank or trust company acting as Trustee under this Series D Refunding Resolution, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Refunding Bonds or coupons issued under and secured by this Series D Refunding Resolution, and may join in the capacity of a Bondholder in any action which any Bondholder

may be entitled to take with like effect as if such bank or trust company were not the Trustee.

Section 9.11. No Warranty of Recitals. The recitals, statements and representations contained herein and in the Refunding Bonds (excluding the Trustee's Certificate of Authentication on the Refunding Bonds) shall be taken and construed as made by and on the part of the Board and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 9.12. Trustee May Act in Good Faith. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding in good faith, reasonably and in accordance with the terms of this Series D Refunding Resolution, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Series D Refunding Resolution, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to

the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

Section 9.13. Resignation of Trustee. The Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Board and to all Bondholders of record and published once in a daily newspaper published and of general circulation in the Commonwealth of Kentucky, and in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder, if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts thereof.

Section 9.14. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing executed by the holders of not less than twenty per centum (20%) in aggregate principal amount of the Refunding Bonds hereby secured and then outstanding and filed with the Board and published once in a daily newspaper published and of general circulation in the Commonwealth of Kentucky, and

in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments; provided, however, that if there shall be filed with the Board prior to the date on which such removal is so stated to take effect an instrument or concurrent instruments in writing, executed by the holders of a greater aggregate principal amount of the Refunding Bonds hereby secured and then outstanding than the amount of such Bonds held by the holders signing such removal instrument or instruments, objecting to the removal of the Trustee, then such removal instrument or instruments shall be ineffective and the Trustee shall not be removed. A photostatic copy of any instrument filed with the Board under the provisions of this paragraph shall be delivered promptly by the Board to the Trustee.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Series D Resolution with respect to the duties and obligations of the Trustee by any Court of competent jurisdiction upon the application of the Board or the holders of not less

than five percentum (5%) in aggregate principal amount of the Refunding Bonds then outstanding under this Series D Refunding Resolution.

Section 9.15. Appointment of Successor Trustee. If at any time hereafter the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon lapse and become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Board shall appoint a Trustee to fill such vacancy. The Board shall publish notice of any such appointment by it made once in each week for four (4) successive weeks in a daily newspaper published and of general circulation in the Commonwealth of Kentucky, and in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York.

At any time within one year after any such vacancy shall have occurred, the holders of a majority in principal amount of the Refunding Bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing executed

by such Bondholders and filed with the Board, may appoint a Successor Trustee which shall supersede any Trustee theretofore appointed by the Board. Photostatic copies of each such instrument shall be delivered promptly by the Board to the predecessor Trustee and to the Trustee so appointed by the holders.

If no appointment of a Successor Trustee shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunding Bond outstanding hereunder or any retiring Trustee may apply to any Court of competent jurisdiction to appoint a Successor Trustee. Such Court may thereupon, after such notice, if any, as such Court may deem proper and prescribe, appoint a Successor Trustee.

Section 9.16. Duties of Successor Trustee. Every Successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Board, an instrument in writing accepting such appointment hereunder, and thereupon such Successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor shall, nevertheless, on the written request of its Successor or of the Board, and upon pay-

ment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 9.06 of this Article, execute and deliver an instrument transferring to such Successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Board be required by any Successor Trustee for more fully and certainly vesting in such Trustee all the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Board.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Series D Refunding Resolution and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged, consolidated, or converted, or to which the assets and business of such bank or trust company may be sold, shall be deemed the Successor Trustee.

ARTICLE X

REMEDIES

Section 10.01. Extended Coupons. 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 or such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Series D Refunding Resolution, except subject to the prior payment in full of the principal of all Bonds then outstanding and of all coupons and interest the time for the payment of which shall not have been extended.

Section 10.02. Events of Default. Each of the following events is hereby declared an "event of default", that is to say if on or prior to May 1, 1981:

- (a) Payment of the principal of any of the Refunding Bonds shall not be made when the same shall become due and payable, either at maturity or otherwise; or
- (b) Payment of any installment of interest on any of the Refunding Bonds shall not be made within thirty (30) days after the same shall become due and payable; or
- (c) The Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
- (d) Payment of the principal of or any installment of interest on any of the Eligible Obligations

held for the credit of the Redemption Fund shall not be made when the same shall become due and payable; or

- (e) The obligor on any of the Eligible Obligations held for the credit of the Redemption Fund shall for any reason be rendered or become incapable of fulfilling its obligations thereunder; or
- (f) The Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Refunding Bonds or in this Series D Refunding Resolution, 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 at the written request of the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds then outstanding.

Section 10.03. Acceleration of Maturities. Upon the happening or continuance of any event of default specified in Section 10.02 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 percentum (20%) in aggregate principal amount of the Refunding Bonds then outstanding shall, by notice in writing to the Board, declare the principal of all of the Refunding Bonds then outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, any-

thing contained in the Refunding Bonds or in this Series D Refunding Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Refunding Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Series D Refunding Resolution, moneys shall have accumulated in the Redemption Fund sufficient to pay the principal of all matured Refunding Bonds and all arrears of interest, if any, upon all Refunding Bonds then outstanding (except the principal of any Refunding Bonds not then due by their terms and the interest accrued on such Refunding 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, agreement or provision contained in the Refunding Bonds or in this Series D Refunding Resolution (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 percentum (20%) in aggregate principal amount of the Refunding Bonds not then due by their terms and then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 10.04. Enforcement of Remedies. Upon the happening and continuance of any event of default specified in Section 10.02 of this Series D Refunding Resolution, then and in every such case, the Trustee may proceed, and upon the written request of the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds then outstanding hereunder shall proceed, to protect and enforce its rights and the rights of the Bondholders under the laws of the Commonwealth of Kentucky or under this Series D Refunding Resolution by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific per-

formance 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 Series D Refunding Resolution 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, if any, due from the Board for principal, interest or otherwise under any of the provisions of this Series D Refunding Resolution, or of the Refunding Bonds, and unpaid, with interest on overdue payments of principal or interest at the rate or rates of interest specified in such Refunding Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Refunding Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Refunding Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Redemption Fund and

any other moneys available for such purpose), in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 10.05. Pro Rata Application of Funds. Anything in this Series D Refunding Resolution to the contrary notwithstanding, if at any time the moneys in the Redemption Fund shall not be sufficient to pay the interest on or the principal of the Refunding Bonds as the same shall become due and payable (by acceleration of maturities under the provisions of Section 10.03 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows, and shall constitute full discharge of all legal duties and obligations of the Board in respect of the Refunding Bonds and coupons appurtenant thereto:

- (a) If the principal of all the Refunding Bonds shall not 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 (including any interest on overdue interest) then due and payable in the order in which such installments became due and payable 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 except as to any difference in the respective

rates of interest specified in the Refunding Bonds; and

second: to the payment of the interest on and the principal of the Refunding Bonds.

- (b) If the principal of all the Refunding Bonds 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 Refunding Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Refunding Bond over any other Refunding Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.
- (c) If the principal of all the Refunding Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 10.03 of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Refunding Bonds shall later be declared due and payable, the moneys remaining in and thereafter accruing to the Redemption Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

The provisions of paragraphs (a), (b) and (c) of this Section are in all respects subject to the provisions of Section 10.01 of this Series D Refunding Resolution.

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 Paying Agents, 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 moneys, 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 Series D Refunding Resolution as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest 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 and all unmatured coupons, if any, appertaining to such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

Section 10.06. Effect of Discontinuance of Proceedings.

In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, 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 10.07. Majority of Bondholders May Control Proceedings. Anything in this Series D Refunding Resolution to the contrary notwithstanding, the holders of a majority in principal amount of the Refunding Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 9.03 of this Series D Refunding Resolution, by an instrument or concurrent instruments 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 and the provisions of this Series D Refunding Resolution.

Section 10.08. Restrictions Upon Actions by Individual Bondholders. No holder of any of the Refunding Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Refunding Bond or 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 instituted, and unless also the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding 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, and 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 Series D Refunding Resolution or to any other remedy hereunder; provided, however, that notwithstanding the foregoing provisions of this Section and without complying therewith, the holders of not less than twenty percentum (20%) in aggregate principal amount of the Refunding Bonds then outstanding may institute any such suit, action or proceeding in their own names for the benefit of all holders of Bonds hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Refunding 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 Series D Refunding Resolution or to enforce any right hereunder except in the manner herein provided, 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 Refunding Bonds and coupons, and that any individual right of action or other right given to one or more of such holders

by law are restricted by this Series D Refunding Resolution to the rights and remedies herein provided.

Section 10.09. Actions by Trustee. All rights of action under this Series D Refunding Resolution or under any of the Refunding Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Refunding Bonds or the coupons appertaining thereto or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all of the holders of such Bonds and coupons, subject to the provisions of this Series D Refunding Resolution.

Section 10.10. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Refunding Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

Section 10.11. No Delay or Omission Construed as a Waiver. 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 Series D Refunding Resolution to the Trustee and to the holders of the Refunding Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the holders of not less than a majority in principal amount of the Refunding 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 Series D Refunding Resolution or before the completion of the enforcement of any other remedy under this Series D Refunding Resolution, 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 10.12. Notice of Default. The Trustee shall mail to the Financial Advisor, all registered owners of Bonds at their addresses as they appear on the registration books, and all other Bondholders of record, written notice of the occurrence of any event of default set forth in Section 10.02 of this Article within thirty (30) days after the Trustee shall have notice that any such event of default shall have occurred. The Trustee shall

not, however, be subject to any liability to the Financial Advisor or to any Bondholder by reason of its failure to mail any such Notice.

ARTICLE XI

DEFEASANCE

Section 11.01. Release of Trust Duties When Refunding Occurs. At such time as the funds in the Redemption Fund have been utilized for the redemption, on May 1, 1981, of the Bonds to be Refunded, and if at said date, the Refunding Bonds are currently paid as to interest thereon, the said Refunding Bonds shall become entitled to be paid ratably from the Revenues of the Project, and at such time the right, title and interest of the Trustee created by this Series D Refunding Resolution shall thereupon cease, determine, and become void, and the Trustee in such case, on demand of the Board, shall release the trusts created by this Series D Refunding Resolution and shall execute such documents to evidence such release as may be reasonably required by the Board. Provided, however, that beginning on May 1, 1981, the Trustee shall, in respect of the Refunding Bonds, exercise all of the trust powers and duties which are set forth in the Resolution, the same as if said Refunding Bonds had been authorized and issued initially

by appropriate Series Resolution.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01. Successors in Interest; Board. In the event of the dissolution of the Board, all of the covenants, stipulations, obligations and agreements contained in this Series D Refunding Resolution by or in behalf of or for the benefit of the Board shall bind or inure to the benefit of the successor or successors of the Board from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Board" as used in this Series D Refunding Resolution shall include such successor or successors.

Section 12.02. Successors in Interest; Paying Agents. Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of any Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Series D Refunding Resolution. If the position of any Paying Agent shall become vacant for any reason, the Board shall, within

thirty (30) days thereafter, appoint a bank or trust company as such Paying Agent to fill such vacancy; provided, however, that if the Board shall fail to appoint such Paying Agent within such period, the Trustee shall make such appointment.

Section 12.03. Parties and Bondholders Alone Have Rights.

Nothing in this Series D Refunding Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Refunding Bonds issued under and secured by this Series D Refunding Resolution any right, remedy or claim, legal or equitable, under or by reason of this Series D Refunding Resolution or any provision hereof, this Series D Refunding Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the holders from time to time of the Refunding Bonds issued hereunder.

Section 12.04. Effect of Partial Invalidity. In case ~~any one or more of~~ the provisions of this Series D Refunding Resolution or of the Bonds or coupons issued hereunder, shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this

Series D Refunding Resolution or of said Refunding Bonds or coupons, but this Series D Refunding Resolution and said Refunding Bonds and coupons shall be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Refunding Bonds or in this Series D Refunding Resolution shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Board to the full extent permitted by law.

Section 12.05. Effect of Covenants. All covenants, stipulations, obligations and agreements of the Board contained in this Series D Refunding Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Board to the full extent authorized by the Enabling Act and permitted by the Constitution of Kentucky. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Board in his individual capacity, and neither the members of the Board nor any officer thereof executing the Bonds shall be liable per-

sonally on the Refunding Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, agent or employee of the Board shall incur any personal liability in acting or proceeding or in not acting or not proceeding in good faith, reasonably and in accordance with the terms of this Series D Refunding Resolution and the Enabling Act. This Series D Refunding Resolution is executed with the intent that the laws of the Commonwealth of Kentucky shall govern its construction.

Section 12.06. Headings Not Part of Series D Refunding Resolution. Any headings preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series D Refunding Resolution, nor shall they affect its meaning, construction or effect.

Section 12.07. When Effective. This Series D Refunding Resolution shall be in full force and effect from and after its adoption.

ADOPTED the 6th day of March, 1973.

(SEAL)

ATTEST:

Chairman or Vice-Chairman
Executive Committee
Board of Trustees
University of Kentucky

(Asst.) Secretary

CERTIFICATION

The undersigned, (Asst.) Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, and also (Asst.) Secretary of the Executive Committee of said Board, hereby certifies that the foregoing is a true and complete copy of a Resolution duly adopted by the Executive Committee of said Board of Trustees at a meeting held on the _____ day of March, 1973, and that the same is in full force and effect.

WITNESS my signature and the seal of said Board,
this 6th day of March, 1973.

(Asst.) Secretary
Board of Trustees
University of Kentucky
and of the
Executive Committee of said Board

(SEAL)

The motion for adoption of the foregoing Resolution was seconded by Trustee George Griffin. After discussion, the Chairman put the motion to vote, and the following vote ensued.

Voting "Aye" for the Resolution: Mrs. Lucile T. Blazer, Mr. Richard Cooper, Mr. Thomas Bell, Mr. George Griffin, Mr. Eugene Goss, and Mr. Albert G. Clay.

Voting "Nay" against the Resolution: None.

Whereupon, the Chairman declared the Resolution to have been duly adopted, and stated that same was in full force and effect.

The Chairman noted that it would now be appropriate for the Executive Committee to consider adoption of a Resolution approving the Official Statement and the Notice of Sale of Refunding Bonds, and ratifying the actions taken by the University's Financial Advisor and Bond Counsel in connection with the advertisement for sale, and solicitation of bids in respect of, \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973.

Whereupon, Trustee Richard Cooper introduced, caused to be read, and moved adoption of the following Resolution:

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY APPROVING THE FORM OF THE OFFICIAL STATEMENT IN CONNECTION WITH \$31,000,000.00 "UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D", DATED MARCH 1, 1973; APPROVING THE FORM OF NOTICE OF SALE OF REFUNDING BONDS IN CONNECTION THEREWITH; APPROVING AND RATIFYING ALL ACTIONS TAKEN BY THE FINANCIAL ADVISOR AND BOND COUNSEL TO THE UNIVERSITY IN CONNECTION WITH THE PUBLIC, COMPETITIVE SALE OF THE REFUNDING BONDS; AND AUTHORIZING THE CHAIRMAN AND SECRETARY OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY TO EXECUTE AND SIGN SAID OFFICIAL STATEMENT ON BEHALF OF THE BOARD OF TRUSTEES.

WHEREAS, under date of February 20, 1973, the Board of Trustees of the University of Kentucky adopted a certain Resolution authorizing the refinancing at a lower interest cost to the University of all outstanding and callable "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, and in that regard said Board of Trustees authorized the Financial Advisor to the University and Bond Counsel to proceed with the formulation of an issue of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", (the "Refunding Bonds"), dated March 1, 1973; and

WHEREAS, said Financial Advisor and Bond Counsel were

further authorized and directed to cause final versions of a Bond Resolution in respect of such Refunding Bonds, an Official Statement, a Notice of Sale of Refunding Bonds, and other related documents to be completed, published, distributed, and otherwise utilized for the purpose of seeking public, competitive bidding for said issue of Refunding Bonds; and the Executive Committee of the Board of Trustees was vested with certain broad authority in respect of said Refunding Bonds and the sale thereof.

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

Section 1. The Executive Committee of the Board of Trustees hereby acknowledges and recognizes that it has, prior to the adoption of this Resolution, adopted a certain Resolution formally authorizing the issuance, authentication, sale and delivery of \$31,000,000.00 principal amount of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973 (the "Refunding Bonds").

Section 2. The Official Statement prepared by the Financial Advisor in form as appended hereto as Exhibit A is hereby approved and officially adopted, and the Chairman and Secretary of the Board of Trustees are hereby authorized and directed to execute said Official Statement in such numbers as in the opinion of the Financial Advisor and Bond Counsel may be required in the circumstances. Said Chairman and Secretary are further authorized, upon advice of the Financial Advisor and Bond Counsel, to execute the Official Statement as finally revised by insertion of interest rate information, with such minor changes, insertions and omissions as may be required by the insertion of such interest rate information; the execution of said Official Statement to be conclusive evidence of the approval by this Executive Committee of such minor changes, insertions and omissions. The purchasers of the Refunding Bonds dated March 1, 1973 are hereby authorized to utilize, in connection with the reoffering and resale of said Refunding Bonds, said Official Statement in form as appended hereto as Exhibit A.

Section 3. A certain "Notice of Sale of Refunding Bonds" in form as appended hereto as Exhibit B is hereby approved, and officially adopted, and shall be executed by the Secretary of

the Board. The prior publication of said "Notice of Sale of Refunding Bonds" in The Courier-Journal, Louisville, Kentucky, and The Daily Bond Buyer, New York, New York, under date of February 27, 1973, is hereby expressly ratified, accepted and approved.

Section 4. All actions taken by the Financial Advisor to the University, and by Bond Counsel, in connection with the public, competitive sale of the Refunding Bonds dated March 1, 1973 are hereby expressly ratified, accepted and approved.

Section 5. This Resolution shall be in full force and effect immediately upon its adoption.

ADOPTED March 6, 1973.

Chairman
Executive Committee of the Board
of Trustees
University of Kentucky

(SEAL)

ATTEST:

Secretary

(over)

CERTIFICATION

I, the undersigned, Ex Officio Secretary of the Executive Committee of the Board of Trustees of the University of Kentucky, do hereby certify that the foregoing is a true copy of a Resolution duly adopted by said Executive Committee at a duly convened meeting of said Executive Committee, held on March 6, 1973, a quorum being present for the transaction of business; that the same has been duly recorded in the official Minute Book of said Board of Trustees; and that the same is in full force and effect as of this date.

WITNESS my hand and the Seal of said Board this 6th day of March, 1973.

Secretary
Executive Committee
Board of Trustees
University of Kentucky

(SEAL)

NEW ISSUE

PRELIMINARY CIRCULAR

SUBJECT TO CHANGE

\$31,000,000**University of Kentucky****Consolidated Educational Buildings Refunding Revenue Bonds, Series D**

DATED: March 1, 1973

DUE: May 1, As Shown Below

Bonds maturing May 1, 1984, and thereafter are subject to redemption prior to maturity in inverse order of their maturities (less than all of a single maturity to be selected by lot) on May 1, 1983, or on any interest payment date thereafter, at the prices set forth in the following schedule together with accrued interest to the date of redemption.

<u>If Redeemed</u>	<u>Redemption Price (% of Principal Amount)</u>
May 1, 1983 and prior to May 1, 1987	104%
May 1, 1987 and prior to May 1, 1992	103%
May 1, 1992 and prior to May 1, 1997	102%
May 1, 1997 and prior to final maturity	101%

Principal and interest (May 1 and November 1, First Coupon for eight months' interest due November 1, 1973) payable at First Security National Bank and Trust Company of Lexington, Kentucky, as Trustee or at the principal office of the Chemical Bank, New York, New York. Coupon bonds in denomination of \$5,000, registrable as to principal only.

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

These \$31,000,000 Consolidated Educational Buildings Refunding Revenue Bonds, Series D, are being issued for the purpose of refunding at a lower interest cost on May 1, 1981, all of the University's then outstanding Consolidated Educational Buildings Revenue Bonds, Series D, dated May 1, 1971, (the "Refunding Bonds"), in the amount of \$32,145,000 and to pay the 3% redemption premium applicable thereto in the amount of \$964,350. These Refunding Bonds are being issued pursuant to the provisions of Section 162.340, et seq., of the Kentucky Revised Statutes, the terms of a Basic Resolution adopted by the Board of Trustees on September 20, 1960, the terms of a Series D Resolution adopted by the Board on November 27, 1967 as amended on June 8, 1971, and the Series D Refunding Resolution to be adopted by the Board or its Executive Committee on the occasion of award of The Refunding Bonds. The proceeds of these Refunding Bonds will, until May 1, 1981, be invested in such Eligible Obligations (as defined in the Series D Refunding Resolution) as will yield earnings and distribution sufficient to pay interest on the Refunding Bonds as same becomes due to May 1, 1981. Until May 1, 1981, the principal of and interest on the Refunding Bonds are secured by a pledge of the acquired Eligible Obligations and earnings on same.

Subsequent to May 1, 1981, the Refunding Bonds, together with the Series A, Series B, and Series C Bonds (already issued) and additional parity bonds that may hereafter be issued under the terms of the Basic Resolution, are secured by the terms of the Basic Resolution and the Series Resolutions supplemental thereto and are payable from and constitute a paramount charge on the Revenues of the Consolidated Educational Buildings Project of the University created and established under the Basic Resolution as described therein. As further security for the Refunding Bonds and coupons appertaining thereto, after May 1, 1981, a statutory mortgage lien upon the Project is created and granted by Sections 162.200 and 162.350 of the Kentucky Revised Statutes.

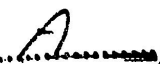
AMOUNTS AND MATURITIES

<u>Due May 1</u>	<u>Amount</u>	<u>Due May 1</u>	<u>Amount</u>	<u>Due May 1</u>	<u>Amount</u>
1982	\$ 585,000	1988	\$1,195,000	1994	\$2,335,000
1983	\$ 620,000	1989	\$1,750,000	1995	\$2,475,000
1984	\$ 655,000	1990	\$1,860,000	1996	\$2,615,000
1985	\$ 695,000	1991	\$1,965,000	1997	\$3,005,000
1986	\$ 735,000	1992	\$2,085,000	1998	\$3,175,000
1987	\$1,120,000	1993	\$2,205,000	1999	\$1,925,000

(Accrued Interest To Be Added)

The issuance of these bonds and all legal matters incident thereto are subject to approval of Grafton, Ferguson, Fleischer and Harper, Louisville, Kentucky, Bond Counsel.

DUPREE & COMPANY, INC.
402 Security Trust Building, Lexington, Kentucky

EXHIBIT... 

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TO
OFFICIAL STATEMENT**

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CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE REFUNDING BONDS**

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OFFICIAL BID FORM

\$31,000,000.00

**CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING
REVENUE BONDS, SERIES D**

March , 1973

Honorable Chairman and Members
of the Executive Committee of the
Board of Trustees of the
University of Kentucky
Lexington, Kentucky

Gentlemen:

Pursuant to your published "Notice of Sale of Refunding Bonds", we offer to purchase \$31,000,000.00 "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, in accordance with and subject to the terms of said Notice of Sale of Refunding Bonds, and the Official Statement referred to in said Notice of Sale, and to pay therefor \$ _____ plus accrued interest to date of delivery (such payment to be made in Federal Reserve Funds), said Bonds to bear interest at the annual rates set forth below:

**Year(s)
Inclusive**

**Interest
Rate**

This bid is made subject to adoption of the Bond Resolution substantially in form as set forth in the Official Statement; issuance at delivery of the unqualified approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky; and tender of customary closing documents at delivery, including No-Litigation Certificate. Herewith is our certified or bank cashier's good faith check in the amount of \$310,000.00, to be forfeited by us, as agreed liquidated damages in the event this bid is accepted and we should, for any reason, fail to comply with the terms of this purchase agreement.

Respectfully submitted,

* * * * *

The foregoing is our purchase bid. We submit our own computations thereof only for your information and convenience:

(a) Total interest cost at coupon rates from date of Bonds to final maturity	\$ _____
(b) Less premium bid	\$ _____
(c) Net interest cost	\$ _____
(d) Average Interest Rate	\$ _____

* * * * *

Accepted by the Executive Committee and receipt of the good faith deposit acknowledged, this ____ day of March, 1973.

EXECUTIVE COMMITTEE OF THE BOARD OF
TRUSTEES OF UNIVERSITY OF KENTUCKY

By _____
Chairman (or Vice-Chairman)

ATTEST:

Secretary

(SEAL)

Return of good faith check hereby acknowledged:

(Authorized Representative of
Bidder)

NOTICE OF SALE OF REFUNDING BONDS

\$31,000,000.00

UNIVERSITY OF KENTUCKY

Lexington, Kentucky

CONSOLIDATED EDUCATIONAL BUILDINGS

REFUNDING REVENUE BONDS, SERIES D

Dated March 1, 1973

The Executive Committee of the Board of Trustees of University of Kentucky (the "Board") hereby gives public notice that until the 6th day of March, 1973, at the hour of 10:00 A.M., Eastern Standard Time, it will receive in the office of the Board, in the Administration Building, in Lexington, Kentucky, sealed competitive bids for the purchase of its \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973 (the "Bonds"), being negotiable coupon Bonds in the denomination of \$5,000.00 each, registrable as to principal only, and maturing as to principal serially in various amounts on May 1 in each of the years 1982 to 1999, inclusive; provided, however, that the Bonds maturing on May 1, 1984, and thereafter, will be subject to prior redemption at the option of the Board of Trustees on any interest payment date (May 1 and November 1), on and after May 1, 1983. The maturity schedule, terms of redemption, security provisions, information respecting the Trustee, and other data are set forth in the Official Statement, and Bond Resolution, to which reference is hereinafter made.

The Bonds are to be issued to refund on May 1, 1981, at a lower interest cost, all "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, which are stated to mature on and after May 1, 1982. The Bonds will be payable (a) as to interest from date to and including May 1, 1981, solely and only from the yield produced by the investment of Bond proceeds in "Eligible Obligations" as described in the Official Statement and Bond Resolution; and (b) as to principal, and as to interest maturing after May 1, 1981, solely and only from a pledge of a fixed amount of the Revenues of the Consolidated Educational Buildings Project, as described in the Official Statement and Bond Resolution.

All bids shall be for the purchase of not less than the total \$31,000,000.00 of Bonds at a price in cash of not less than 103% of the principal amount thereof (being not less than \$31,930,000.00), together with accrued interest from date to delivery date; such interest to be at such rate or rates specified in the successful bid, in multiples of 1/8 or 1/10 of 1% per annum, subject to the following conditions: (a) that not more than one coupon rate shall be specified for Bonds maturing on any one maturity date; (b) all interest coupon rates stipulated shall be in ascending order and no later-maturing coupon shall bear interest at a rate lower than any earlier-maturing coupon; (c) the differential between the highest and lowest coupon rates stipulated in any bid may not exceed one percentum (1%); (d) no bid shall propose that interest

becoming due with respect to any Bond at any semiannual interest payment date be represented by more than one coupon; (e) no bid shall propose that any Bond shall bear interest from its date to its maturity otherwise than at a single rate; (f) no bid shall propose that any interest coupons be cancelled; and (g) the total interest cost to the University over the life of the issue of Bonds in terms of dollars (total of interest coupons according to the bid, less premium bid) shall not exceed \$35,603,782.00. The successful bidder shall be required to pay for the bond issue and accrued interest thereon to the date of delivery in Federal Reserve Funds.

Purchase proposals shall be submitted on the "Official Bid Form", and each bid must be accompanied by a certified or bank cashier's good faith check payable to the University of Kentucky, in the sum of \$310,000.00, such check to be forfeited as agreed liquidated damages in the event of breach of the purchase contract by the lowest and best bidder. The checks of unsuccessful bidders will be returned following the award of the Bonds. Award of the Bonds will be upon the basis of the interest cost most favorable to the University; the same to be determined by computing the aggregate amount of interest from the date of the Bonds to the maturity thereof as set forth in each bid, less any premium specified in any bid, over and above the face amount of the Bonds.

The Board of Trustees will provide at delivery, without expense to the purchaser, the prepared and executed definitive Bonds, the customary closing documents, including the No-Litigation Certificate, and the unqualified approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky. Delivery of the Bonds will be made in the Borough of Manhattan, City and State of New York at the expense of the Board, and delivery is guaranteed within thirty (30) days following award. In the opinion of Bond Counsel, the receipt of interest on the Bonds will be exempt from Federal and Kentucky income taxation; and the Bonds will be exempt from all ad valorem taxation in Kentucky. The right to reject bids is expressly reserved.

Copies of the Official Statement, containing as an appendix thereto the Bond Resolution, and of the Official Bid Form may be obtained from the Vice President for Business Affairs of the University of Kentucky, at Lexington, Kentucky 40506; or Dupree & Company, Inc., Investment Bankers, Security Trust Building, Lexington, Kentucky 40507.

/s/ Lucile T. Blazer

Secretary
Board of Trustees
University of Kentucky

OFFICIAL BID FORM

\$31,000,000.00

**CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING
REVENUE BONDS, SERIES D**

March , 1973

Honorable Chairman and Members
of the Executive Committee of the
Board of Trustees of the
University of Kentucky
Lexington, Kentucky

Gentlemen:

Pursuant to your published "Notice of Sale of Refunding Bonds", we offer to purchase \$31,000,000.00 "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, in accordance with and subject to the terms of said Notice of Sale of Refunding Bonds, and the Official Statement referred to in said Notice of Sale, and to pay therefor \$ _____ plus accrued interest to date of delivery (such payment to be made in Federal Reserve Funds), said Bonds to bear interest at the annual rates set forth below:

Year(s)
Inclusive

Interest
Rate

This bid is made subject to adoption of the Bond Resolution substantially in form as set forth in the Official Statement; issuance at delivery of the unqualified approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky; and tender of customary closing documents at delivery, including No-Litigation Certificate. Herewith is our certified or bank cashier's good faith check in the amount of \$310,000.00, to be forfeited by us, as agreed liquidated damages in the event this bid is accepted and we should, for any reason, fail to comply with the terms of this purchase agreement.

Respectfully submitted,

* * * * *

The foregoing is our purchase bid. We submit our own computations thereof only for your information and convenience:

(a) Total interest cost at coupon rates from date of Bonds to final maturity	\$ _____
(b) Less premium bid	\$ _____
(c) Net interest cost	\$ _____
(d) Average Interest Rate	\$ _____

* * * * *

Accepted by the Executive Committee and receipt of the good faith deposit acknowledged, this ____ day of March, 1973.

EXECUTIVE COMMITTEE OF THE BOARD OF
TRUSTEES OF UNIVERSITY OF KENTUCKY

By _____
Chairman (or Vice-Chairman)

ATTEST:

Secretary

(SEAL)

Return of good faith check hereby acknowledged:

(Authorized Representative of
Bidder)

NOTICE OF SALE OF REFUNDING BONDS

\$31,000,000.00

UNIVERSITY OF KENTUCKY

Lexington, Kentucky

CONSOLIDATED EDUCATIONAL BUILDINGS

REFUNDING REVENUE BONDS, SERIES D

Dated March 1, 1973

The Executive Committee of the Board of Trustees of University of Kentucky (the "Board") hereby gives public notice that until the 6th day of March, 1973, at the hour of 10:00 A.M., Eastern Standard Time, it will receive in the office of the Board, in the Administration Building, in Lexington, Kentucky, sealed competitive bids for the purchase of its \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973 (the "Bonds"), being negotiable coupon Bonds in the denomination of \$5,000.00 each, registrable as to principal only, and maturing as to principal serially in various amounts on May 1 in each of the years 1982 to 1999, inclusive; provided, however, that the Bonds maturing on May 1, 1984, and thereafter, will be subject to prior redemption at the option of the Board of Trustees on any interest payment date (May 1 and November 1), on and after May 1, 1983. The maturity schedule, terms of redemption, security provisions, information respecting the Trustee, and other data are set forth in the Official Statement, and Bond Resolution, to which reference is hereinafter made.

The Bonds are to be issued to refund on May 1, 1981, at a lower interest cost, all "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, which are stated to mature on and after May 1, 1982. The Bonds will be payable (a) as to interest from date to and including May 1, 1981, solely and only from the yield produced by the investment of Bond proceeds in "Eligible Obligations" as described in the Official Statement and Bond Resolution; and (b) as to principal, and as to interest maturing after May 1, 1981, solely and only from a pledge of a fixed amount of the Revenues of the Consolidated Educational Buildings Project, as described in the Official Statement and Bond Resolution.

All bids shall be for the purchase of not less than the total \$31,000,000.00 of Bonds at a price in cash of not less than 103% of the principal amount thereof (being not less than \$31,930,000.00), together with accrued interest from date to delivery date; such interest to be at such rate or rates specified in the successful bid, in multiples of 1/8 or 1/10 of 1% per annum, subject to the following conditions: (a) that not more than one coupon rate shall be specified for Bonds maturing on any one maturity date; (b) all interest coupon rates stipulated shall be in ascending order and no later-maturing coupon shall bear interest at a rate lower than any earlier-maturing coupon; (c) the differential between the highest and lowest coupon rates stipulated in any bid may not exceed one percentum (1%); (d) no bid shall propose that interest

becoming due with respect to any Bond at any semiannual interest payment date be represented by more than one coupon; (e) no bid shall propose that any Bond shall bear interest from its date to its maturity otherwise than at a single rate; (f) no bid shall propose that any interest coupons be cancelled; and (g) the total interest cost to the University over the life of the issue of Bonds in terms of dollars (total of interest coupons according to the bid, less premium bid) shall not exceed \$35,603,782.00. The successful bidder shall be required to pay for the bond issue and accrued interest thereon to the date of delivery in Federal Reserve Funds.

Purchase proposals shall be submitted on the "Official Bid Form", and each bid must be accompanied by a certified or bank cashier's good faith check payable to the University of Kentucky, in the sum of \$310,000.00, such check to be forfeited as agreed liquidated damages in the event of breach of the purchase contract by the lowest and best bidder. The checks of unsuccessful bidders will be returned following the award of the Bonds. Award of the Bonds will be upon the basis of the interest cost most favorable to the University; the same to be determined by computing the aggregate amount of interest from the date of the Bonds to the maturity thereof as set forth in each bid, less any premium specified in any bid, over and above the face amount of the Bonds.

The Board of Trustees will provide at delivery, without expense to the purchaser, the prepared and executed definitive Bonds, the customary closing documents, including the No-Litigation Certificate, and the unqualified approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky. Delivery of the Bonds will be made in the Borough of Manhattan, City and State of New York at the expense of the Board, and delivery is guaranteed within thirty (30) days following award. In the opinion of Bond Counsel, the receipt of interest on the Bonds will be exempt from Federal and Kentucky income taxation; and the Bonds will be exempt from all ad valorem taxation in Kentucky. The right to reject bids is expressly reserved.

Copies of the Official Statement, containing as an appendix thereto the Bond Resolution, and of the Official Bid Form may be obtained from the Vice President for Business Affairs of the University of Kentucky, at Lexington, Kentucky 40506; or Dupree & Company, Inc., Investment Bankers, Security Trust Building, Lexington, Kentucky 40507.

/s/ Lucile T. Blazer

Secretary
Board of Trustees
University of Kentucky

OFFICIAL STATEMENT
of
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY
Relating to its
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS

With reference to \$31,000,000 University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, as described on the preceding page which is considered a part hereof, this Official Statement is being distributed by the Board of Trustees of the University of Kentucky to furnish pertinent information to all who may become purchasers of such bonds.

THE UNIVERSITY OF KENTUCKY

The University of Kentucky, located in Lexington, Fayette County, Kentucky, began, on February 22, 1865, as part of Kentucky University, a land grant college under the "Morrill Act of 1862". In 1878 the College of Agriculture and Mechanical Arts was separated from Kentucky University (now Transylvania College) and re-established on land donated by the City of Lexington. In 1908 the name was changed to the State University of Kentucky and in 1916 the institution was given its present designation of University of Kentucky. The University receives federal assistance as a land-grant college as well as state appropriations.

The governing body of the University is the Board of Trustees consisting of nineteen members appointed by the Governor (three of whom are alumni of the University), the President of the Student Body, and two members of the teaching faculty. The Board has general supervision of the University's property and operations.

For the performance of its function of instruction, the University is organized into fifteen colleges and four schools, including the Graduate School, and Extended Programs. The academic year of the University is divided into two semesters of approximately eighteen weeks each and a summer school session of eight weeks. The operating budget for the 1972-73 fiscal year is \$123,158,700 and is estimated at \$130,000,000 for the 1973-74 fiscal year.

The University plant, valued at more than \$177,000,000 includes some 95 major buildings on the 322 acre main campus in Lexington, nine farms having a total of 19,332 acres and thirteen community colleges outside Fayette County, each offering two years of college work. The University General Development Plan proposes expansion of the main campus to about 640 acres in coming years.

AUTHORITY

These Consolidated Educational Buildings Refunding Revenue Bonds, Series D (the "Refunding Bonds") are issued pursuant to authority contained in Section 162.340, et seq., of the Kentucky Revised Statutes, and in accordance with the terms of the Basic Resolution (the "Resolution") adopted by the University's Board of Trustees on September 20, 1960, and the Series D Refunding Resolution to be adopted by the Board or its Executive Committee when the Refunding Bonds are awarded, substantially in the form annexed to this Official Statement as an Appendix.

PURPOSE

These Refunding Bonds are issued to provide funds for the redemption on May 1, 1981, of the Consolidated Educational Buildings Revenue Bonds, Series D (the "Bonds To Be Refunded") remaining outstanding on that date in the amount of \$32,145,000 plus a 3% redemption premium of \$964,350.

SECURITY

Pursuant to the provisions of the Series D Refunding Resolution, the net proceeds of the Refunding Bonds will be deposited with First Security National Bank & Trust Company, Lexington, Kentucky, the Trustee, and will be invested in Eligible Obligations, as such securities are defined in the Series D Refunding Resolution, to yield earnings sufficient to pay interest on the Refunding Bonds as same becomes due to and including May 1, 1981. Prior to that date, the Refunding Bonds are secured by a pledge of and lien upon said Eligible Obligations.

Subsequent to the redemption of the Bonds To Be Refunded on May 1, 1981, the Refunding Bonds, together with the Series A, Series B, and Series C Bonds (already issued), and additional parity bonds, which may hereafter be issued and outstanding under the terms of the Resolution and subsequent Series Resolutions, will be payable from and will constitute a paramount charge upon the Revenues to be derived by the University of Kentucky, at Lexington, Kentucky, from the operation of its Consolidated Educational Buildings Project, as defined in the Basic Resolution. The fee imposed upon and collected from all students of the University at Lexington, Kentucky, as an incident to registration at the beginning of each semester of the regular academic year and each summer session, including fees imposed for part time students, night school and extension courses, is designated as the source of Revenues of the Consolidated Educational Buildings Project. Such fees are known as the Student Registration Fees (the Registration Fees) and the Board of Trustees covenants that the same will be fixed (and if necessary revised and increased from time to time) at such rates as may be required to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and to pay the operating costs of the Project to the extent they are not otherwise provided. All collections of the Student Registration Fee are to be set aside, as received, into the Consolidated Educational Buildings Project Revenue Fund and are made subject to a first lien and paramount charge for the security and source of payment of all outstanding Consolidated Educational Buildings Revenue Bonds.

As further security for the Bonds and the coupons appertaining thereto, there is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes a statutory mortgage lien upon the Consolidated Educational Buildings Project.

INVESTMENTS

In accordance with the financing plan, the net proceeds of the Refunding Bonds will be invested in one or more of the following securities, which are, among others, included in the Eligible Obligations as defined in the Series D Refunding Resolution:

- (1) Federal National Mortgage Association ("FNMA") obligation, or obligations, dated as of the delivery date of the Refunding Bonds. The issuance of the FNMA obligation is subject to final approval of the Board of Directors of FNMA.
- (2) Federal Land Bank Bonds maturing on or before May 1, 1981, or being subject to redemption on or prior to said date at specified prices at the option of the holder.
- (3) Certificate(s) of Deposit ("CD") issued by a bank or trust company. Any such CD shall be at all times fully collateralized by Eligible Obligations.

The amount to be invested in one or more of the above Eligible Obligations will be determined prior to date of delivery of the Refunding Bonds but, in any event, the total investment will be subject to the following provisions of the Series D Refunding Resolution:

- (a) yield on and/or maturing principal of Eligible Obligations will be sufficient to pay interest, when due, on the Refunding Bonds to May 1, 1981;
- (b) will provide at maturity a sufficient amount to redeem on May 1, 1981, all the then outstanding Bonds To Be Refunded, plus the required three percent (3%) redemption premium, such amounts being \$32,145,000 and \$964,350, respectively; and
- (c) will not cause the Refunding Bonds to be "arbitrage" bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, and income tax regulations in respect thereof.

The Trustee will hold said Eligible Obligation investments in the Redemption Fund and apply the yield derived therefrom to payment of interest on the Refunding Bonds to and including May 1, 1981, and will apply the proceeds at maturity to the redemption of the Bonds To Be Refunded in accordance with the terms of the Series D Refunding Resolution.

THE SERIES D REFUNDING RESOLUTION

The following statements are intended to provide only brief summaries of selected pertinent provisions of the Series D Refunding Resolution. For detailed information, reference is made to the Series D Refunding Resolution which is attached to and constitutes an Appendix to this Official Statement.

Confirmation of Basic Resolution

The terms and provisions of the Resolution adopted by the Board on September 20, 1960, creating the Consolidated Educational Buildings Project and establishing an issue of Consolidated Educational Buildings Revenue Bonds is readopted and continued and the provisions of said Resolution shall apply to the Refunding Bonds to the extent not inconsistent with the terms of the Series D Refunding Resolution until May 1, 1981, and thereafter shall apply fully to said Refunding Bonds.

Application of Bond Proceeds

The proceeds of the Refunding Bonds (including accrued interest) will be applied as follows:

- (1) Accrued interest received, if any, shall be immediately deposited in the Redemption Fund in the custody of the Trustee;
- (2) Next, the costs and fees incident to the issuance of the Refunding Bonds shall be paid;
- (3) The balance of the proceeds shall be invested in Eligible Obligations which will mature, or which will be subject to redemption at the option of the holder, not later than the respective dates when moneys held for the credit of the Redemption Fund will be required for the purposes intended.

Application of Moneys in The Redemption Fund

A special fund is created and established in the custody of the Trustee to be known as the "Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund" (the "Redemption Fund"). The proceeds of the Refunding Bonds, or investments representing same including earnings on said investments, shall be deposited in the Redemption Fund and shall be applied by the Trustee only for the payment of interest when due on the Refunding Bonds to May 1, 1981, and for the payment, on May 1, 1981, of the outstanding principal of and appertaining redemption premium on the Bonds To Be Refunded.

Investments

Moneys in the Redemption Fund shall, as nearly as may be practicable, be invested and reinvested in Eligible Obligations which will mature, or which will be subject to redemption at the option of the holder, not later than the respective dates when moneys held for the credit of the Redemption Fund will be required for the purposes intended. Eligible Obligations are defined as direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, or United States Government Agency obligations; Certificates of Time Deposit issued by banks or trust companies and fully collateralized by Eligible Obligations; Bonds, Consolidated Bonds, Collateral Trust Debentures or other obligations issued by Federal Land Banks or federal intermediate credit banks established under the Federal Farm Loan Act as amended; Bonds, Debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act as amended; and Bonds of any Federal Home Loan Bank established under said Act; and any securities now or hereafter authorized, both the principal of and interest on which is guaranteed directly or indirectly by the full faith and credit of the United States of America.

Covenant Against Arbitrage

The Board covenants that it will neither make nor permit use of, and directs the Trustee to make no use of, any of the proceeds of the Refunding Bonds which, if such use had been reasonably expected on the date of issuance of said Bonds, would have caused said Bonds to be "arbitrage" bonds within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, and such regulations adopted from time to time under said Section 103(d) as may be applicable to said Bonds, and further covenants that it will comply throughout the term of the issue with the requirements of said Section 103(d) and any such applicable regulations.

Other Covenants of The Board

The Board covenants that it will promptly pay the principal of and interest on the Refunding Bonds at the places, on the dates and in the manner provided in the Series D Refunding Resolution. Said interest from March 1, 1973, to May 1, 1981, will be paid solely from the earnings on Eligible Obligations and other moneys held for the credit of the Redemption Fund. After redemption of the Bonds To Be Refunded on May 1, 1981, said principal and said interest will be payable solely from Revenues of the Project.

The Board covenants that none of the yield derived from the Eligible Obligations held for the credit of the Redemption Fund will be used for any purpose other than as provided in the Series D Refunding Resolution.

Additional Bonds

The University shall not issue any bonds or other obligations payable in any manner from the Redemption Fund and ranking on a parity with the Refunding Bonds. The University reserves the right to continue in the future to issue parity bonds secured by a pledge of and lien upon the Revenues of the Project, as specifically authorized by the Resolution.

Default and Remedies

The Series D Refunding Resolution defines events of default, which include failure to pay principal or any installment of interest; the Board's being rendered incapable of fulfilling its obligations under the Series D Refunding Resolution; failure of any obligor on any of the Eligible Obligations held for the credit of the Redemption Fund to pay principal and interest thereon when due; such obligor's being rendered incapable of fulfilling its obligations under any Eligible Obligation; and failure after written notice by the Trustee (who is required to give such notice at the written request of the holders of 10% in aggregate amount of the outstanding Refunding Bonds) to perform any covenant in the Series D Refunding Resolution, in each case within or for the specified period of grace, if any.

Upon the happening or continuance of any event of default, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty per centum (20%) in aggregate principal amount of the Refunding Bonds then outstanding shall, by notice in writing to the Board, declare the principal of all of the Refunding Bonds then outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Refunding Bonds or in this Series D Refunding Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Refunding Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Series D Refunding Resolution, moneys shall have accumulated in the Redemption Fund sufficient to pay the principal of all matured Bonds and all arrears of interest, if any, upon all Refunding Bonds then outstanding (except the principal of any Refunding Bonds not then due by their terms and the interest accrued on such Refunding Bonds not then due by their terms and the interest accrued on such Refunding 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, agreement or provision contained in the Refunding Bonds or in this Series D Refunding Resolution (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 per centum (20%) in aggregate principal amount of the Refunding Bonds not then due by their terms and 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.

Upon the happening and continuance of any event of default, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than ten per centum (10%) in aggregate principal amount of the Refunding Bonds then outstanding hereunder shall proceed, to protect and enforce its rights and the rights of the bondholders under the laws of the Commonwealth of Kentucky or under this Series D Refunding Resolution by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, 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 Series D Refunding Resolution, 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, if any, due from the Board for principal, interest or otherwise under any of the provisions of this Series D Refunding

Resolution or of the Refunding Bonds and unpaid, with interest on overdue payments of principal or interest 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 right or remedy of the Trustee or of the bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Redemption Fund and any other moneys available for such purpose), in any manner provided by law, the moneys adjudged or decreed to be payable.

In the event for any reason the moneys in the Redemption Fund are inadequate to pay principal and interest on the Refunding Bonds as the same become due and payable (by reason of acceleration of maturities as hereinabove described), the Series D Refunding Resolution provides procedures for the pro-rata application of sums available and made available in the Redemption Fund, which application shall constitute full discharge of the Board's legal duties to the Refunding Bond holders. Particular reference is made to Article X, Section 10.05 of the Series D Refunding Resolution.

THE BASIC RESOLUTION

On September 20, 1960, the Board adopted the Basic Resolution which created the Consolidated Educational Buildings Project and established its Consolidated Educational Buildings Revenue Bond issue. The Project consists of all existing educational buildings and necessary appurtenances and all such buildings and appurtenances hereafter erected on the property of the University in Fayette County, Kentucky, excluding housing facilities and facilities used exclusively for athletics.

The following statements are intended to provide only brief summaries of selected pertinent provisions of the Basic Resolution. For detailed and complete information, reference is hereby made to the Basic Resolution, copies of which are on file with the University and with the Trustee. For purposes of this description, the Basic Resolution and the Series A, B, C, D and Series D Refunding Resolutions, collectively, and the Revenue Bonds issued thereunder, collectively, shall be referred to as the "Resolutions", and the "Bonds", respectively.

Application of Revenues

There is created and established a special fund known as the Consolidated Educational Buildings Project Revenue Fund (the "Revenue Fund") in the custody of the Treasurer of the Board of Trustees, separate and apart from other funds of the University. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding and unpaid as a trust fund in one or more banks which shall be members of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order specified in these Resolutions. Upon the issuance and delivery of any Bonds pursuant to the Resolutions, all Revenues derived from the Consolidated Educational Buildings Project shall be deposited as collected in the Revenue Fund to be held and administered by the Treasurer of the Board and shall be paid out and applied for the uses and purposes set forth below.

1. **Bond Interest and Sinking Fund:** There is created and established a special account known as the Consolidated Educational Buildings Project Bond and Interest Sinking Fund (the Bond Fund) which is maintained by and in the custody of the Trustee so long as any Bonds are outstanding and unpaid. The Bond Fund shall be used by the Trustee to pay interest on the Bonds as the same becomes due from time to time and to pay and retire the Bonds as they become due, or as otherwise provided in the Resolutions. From and after the issuance of any Bonds and thereafter commencing on May 1 of each year, the Treasurer shall transfer from the Revenue Fund, and deposit to the credit of the Bond Fund all the Revenues as and when the same are received and deposited into the Revenue Fund, until there has been so deposited and paid into the Bond Fund an amount equal to the total interest and principal becoming due on or prior to the succeeding May 1 on all Bonds then outstanding plus such amount as may be provided in a pertinent Series Resolution to be deposited in the Bond Fund during such year to provide for the retirement of all outstanding Bonds scheduled to mature on the next ensuing May 1, plus such amount as may be provided in any pertinent Series Resolution to be deposited in the Bond Fund during such year to provide for the retirement of Bonds scheduled to mature on May 1 of any subsequent year.

2. **Reserve Fund:** For the purpose of creating and maintaining a reserve in the Bond Fund equal to the maximum Aggregate Principal, Interest and Bond Fund Charges, as such term is defined below, the amounts to be set aside into the Bond Fund shall be 125% of the amounts set forth above until such reserve is so accumulated and thereafter the same shall be resumed and continued whenever and so long as required to restore and maintain such reserve. Aggregate Principal, Interest and Bond Fund Charges is defined "as of any particular date of computation and with respect to a particular twelve month period, an amount of money equal to the aggregate of the amounts required by the provisions of the Resolution and all Series Resolutions, to be paid into the Bond Fund in such twelve month period for account of the interest on all outstanding Bonds becoming due during such twelve month period, and to accomplish the retirement of the principal of all outstanding Bonds at or prior to the maturity thereof."

The amounts by which the above payments exceed the Aggregate Principal, Interest and Bond Fund Charges in any particular twelve month period shall be held in the Bond Fund as a reserve. Moneys in the Bond Fund in excess of the Aggregate Principal, Interest and Bond Fund Charges and the prescribed reserve may be used to purchase or redeem Bonds in advance of maturity.

When all required payments into the Bond Fund have been made in any particular twelve month period ending May 1, any moneys remaining in the Revenue Fund may be used by the Board in its discretion to pay the operating costs of the Project to the extent that such costs are not otherwise provided, or may be used for the purchase or retirement of Bonds in advance of maturity, or for any other lawful purpose.

Application of Bond Proceeds

Any amounts received upon delivery of a Series of Bonds in payment of accrued interest thereon shall be deposited by the Treasurer into the Bond Fund to be applied to the payment of interest coupons next becoming due on said Series of Bonds.

There shall be established in the State Treasury of the Commonwealth an account designated the University of Kentucky Consolidated Educational Buildings Project-Bond Proceeds Series -- Construction Account (the "Construction Account"). The proceeds of a Series of bonds shall be deposited in said Construction Account and disbursements shall be made solely for defraying the costs of erecting and completing buildings and appurtenances which will become parts of the Educational Buildings Project and in accordance with inspection, audit and disbursement procedures provided by law. The aforesaid costs may include engineering, accounting, legal and fiscal expenses incurred in connection with the issuance of the Bonds.

Any balance remaining in the Construction Account after erection and completion of the authorized educational buildings and appurtenances and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction or completion of one or more additional educational buildings which are or will be financed by the issuance of bonds under the Resolutions, the balances may be taken into account in determining the amount of bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof.

Additional Bonds

The Board covenants and agrees that it will not hereafter create or permit the creation of or issue any bonds which will have a priority over the charge on the Revenues or the payments to be made into the Bond Fund.

Additional bonds ranking on a parity with Bonds outstanding may be issued only for the purpose of erecting and completing educational building or buildings and necessary appurtenances, provided:

1. that at the time of the issuance of the additional bonds there is no deficiency in the amounts required to be paid into the Bond Fund, and
2. that the average of the annual Revenues from the Project for the two fiscal years immediately preceding the issuance of the additional bonds, as indicated in a statement by the Treasurer of the Board to be filed with the Trustee, was equal to not less than 1.25 times the maximum Aggregate Principal and Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Bonds then outstanding and the additional bonds proposed to be issued. For the purpose of computing average annual Revenues, the Treasurer shall make an adjustment in the amount of annual Revenues to reflect any increase or decrease in the Student Registration Fee being imposed at the time for the services of the Project.

The issuance of such additional bonds shall be pursuant to the terms of an appropriate Series Resolution adopted by the Board in accordance with the provisions of the Resolution.

Other Covenants of the Board of Trustees

The Board of Trustees covenants with the holders of the Bonds, among other things, the following:

1. that it will establish, maintain and collect, so long as any Bonds are outstanding, such Student Registration Fees for the services of the Project as may be necessary (1) to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and (2) to pay the operating costs of the Project to the extent they are not otherwise provided. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in Revenues the Board further covenants and agrees to establish, maintain and collect such Student Registration Fees as will produce Revenues in each twelve month period ending May 1, equal to at least 110% of the current Aggregate Principal, Interest and Bond Fund Charges;

2. that while any of the Bonds are outstanding, it will, except as hereinbefore set forth under "Application of Revenues," pay the current operating costs of the Project from available funds other than the Revenues derived from the Project;

3. that it will procure and maintain to the extent available, 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% of the full insurable value of the Project;

4. that unless provision is otherwise made by law for disposition by the Commonwealth of Kentucky of claims made against the University for bodily injury and/or death which may arise from operations of the Board, it will, if such insurance is not already in force, procure and maintain public liability insurance with limits of not less than \$500,000/\$1,000,000 to protect the Board from claims for bodily injury and/or death which may arise from the operation of the Board, including any use or occupancy of its grounds, structures, and vehicles;

5. that it will keep accurate financial records and proper books relating to the Project; that such records and books shall be open to inspection by the bondholders and their agents and representatives; and, that not later than 90 days after the close of each fiscal year it will furnish to the Trustee, and to any bondholder who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant or a firm of such accountants, who shall be satisfactory to the Trustee, or by an appropriate State auditing official, reflecting in reasonable detail the financial condition and record of operation of the University, the Project, and the pledged Revenues during the preceding fiscal year;

6. 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 the Project shall at all times be conducted efficiently, properly and advantageously;

7. that 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 utility and efficiency, so that the value and efficiency of the Project will at all times be fully maintained;

8. that it will faithfully observe, do and perform all of its agreements and obligations provided for by the Bonds and the Resolutions.

CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT

Pursuant to the Resolution and subsequent supplemental Series Resolutions, the Board has issued its Consolidated Educational Buildings Revenue Bonds to provide funds for construction of facilities as follows:

Series A Bonds issued in 1960 in the amount of \$8,000,000 for construction of a Chemistry-Physics Building and Library.

Series B Bonds issued in 1963 in the amount of \$7,500,000 for construction of an Education Building, a Nuclear Accelerator, a Law Building, Engineering Building, and a Commerce Building.

Series C Bonds issued in 1970 in the amount of \$4,290,000 and sold to the U.S. Department of Health, Education, and Welfare to provide funds, in part, for the construction of a Classroom-Office Building.

Series D Bonds dated May 1, 1971, and issued in the amount of \$34,700,000 for the construction of various buildings and appurtenant facilities: Classroom-Office Building for the College of Arts and Sciences; Laboratory-Office Building for the Agriculture Science Program; Appurtenant Facilities construction including two parking structures, surface parking, utilities expansion, physical education facilities, internal roadways, and pedestrian malls and lighting; Laboratory, Office and Studio Facilities for various Colleges; Memorial Hall Reconstruction; Library Service Building Reconstruction; Health, Physical Education and Recreation Building; Laboratory-Office Facilities for Medical and Biological Sciences programs; Patient Care Facility addition to the University Hospital; and Addition to the University Library.

With the exception of the Patient Care Facility Addition and the Library Addition, all of the buildings and appurtenances financed by Bond proceeds have been constructed and are occupied and/or operative. Construction bids for the Patient Care Facility Addition will be received on March 2, 1973. Of the estimated \$4,150,000 cost of this construction, \$3,350,000 is available from Series D Bond Proceeds and the remaining \$800,000 will be provided by issuance of Series E Bonds as described below. The Library Addition is approximately 50% completed and sufficient funds have been obligated for its completion.

Proposed Series E Bonds—Pursuant to the authority and subject to the provisions of the Resolution, the University plans to issue its Consolidated Educational Building Revenue Bonds, Series E, on or about April 1, 1973, in the approximate amount of \$5,150,000. The proceeds of the Series E Bonds, will provide funds for building construction projects as follows:

Completion of the Patient Care Facility Addition-	\$ 800,000
Biological Sciences Building-	\$4,000,000
Family Practice Facility for University Hospital-	\$ 200,000

REVENUES AND OPERATIONS OF THE UNIVERSITY

Total income of the University, including Community Colleges, for the fiscal year ended June 30, 1972, amounted to \$115,554,403:

State and County Appropriations	\$62,481,027
Federal Appropriations	\$ 7,643,334
Student Fees	\$11,481,313
Gifts, Grants, and Investment Income	\$ 6,153,133
Hospitals and Clinics	\$11,829,473
Student Aid	\$ 1,176,766
Sales and Services	\$ 2,768,388
Housing, Dining and Other Auxiliary Enterprises	\$10,288,614
Tobacco Research Trust Fund	\$ 1,732,355

Enrollment

The following schedule indicates the Fall Semester full-time equivalent enrollment at the campus in Lexington, for each of the academic years 1967-68 through 1972-73. The full-time equivalent enrollment calculation is made in accordance with the method used by the United States Office of Education.

Academic Year	Fall Semester Full Time Equivalent Enrollment
1967-68	13,826
1968-69	14,336
1969-70	15,143
1970-71	16,520
1971-72	17,711
1972-73	18,283

As indicated above, the University has experienced an extended period of enrollment growth. Using regional and national surveys of future college age population and historic enrollment data, and taking into consideration policies of the Kentucky Council on Public Higher Education relating to enrollment requirements, the University has projected estimated Fall Semester full-time equivalent enrollment at its Lexington campus for the academic years 1973-74 through 1978-79.

Academic Year	Estimated Full-Time Equivalent Enrollment at Lexington Campus
1973-74	18,720
1974-75	19,240
1975-76	19,800
1976-77	20,500
1977-78	21,000
1978-79	21,700

Student Registration Fee

The Board of Trustees with approval of the Kentucky Council on Public Higher Education has established a schedule of Student Registration Fees (which include Extended Program Fees) to be imposed, charged and collected for the services of the Project from all students attending the University. The present schedule of fees, which became effective

September 1, 1972, and the fees approved and to be effective September 1, 1973, not including Student Center and Activity Fees, are as follow:

**REGISTRATION FEE
FULL-TIME STUDENTS**

	1972		1973	
	Resident	Non-Resident	Resident	Non-Resident
All colleges of the University Except Dentistry and Medicine				
Semester Registration Fee	\$184.25	\$541.75	\$221.75	\$586.75
Summer School Registration Fee (Per Credit Hour)	\$ 17.00	\$ 47.00	\$ 20.00	\$ 51.00
Graduate School				
Semester Registration Fee	\$196.75	\$554.25	\$246.75	\$611.75
Summer School Registration Fee (Per Credit Hour)	\$ 24.00	\$ 64.00	\$ 30.00	\$ 70.00
College of Dentistry and College of Medicine				
Annual Registration Fee for Regular Academic Year of Two Semesters	\$773.50	\$1,653.50	\$873.50	\$1,768.50

SEMESTER CREDIT HOUR-FEE

	1972		1973	
	Resident	Non-Resident	Resident	Non-Resident
Extended Program Fee				
Part-time Students, Evening and Extension Courses - All Colleges except Law and Graduate School				
Regular Semester Credit Hour Fee	\$17.00	\$47.00	\$20.00	\$51.00
Summer School Credit Hour Fee	\$17.00	\$47.00	\$20.00	\$51.00
College of Law				
Regular Semester Credit Hour Fee	\$21.00	\$56.00	\$24.00	\$61.00
Summer School Credit Hour Fee	\$23.00	\$60.00	\$27.00	\$64.00
Graduate School				
Regular Semester Credit Hour Fee	\$24.00	\$64.00	\$30.00	\$70.00
Summer School Credit Hour Fee	\$24.00	\$64.00	\$30.00	\$70.00

Summary of Income from Student Registration Fees

The proceeds received by the University from imposition and collection of the Student Registration Fee constitute the Revenues of the Project. The above fees do not include a variety of incidental and miscellaneous fees charged and collected from students, no part of which are pledged as Revenues of the Project or to the security of the Bonds.

Academic Year	Total Fees Collected
1966-67	\$4,864,953
1967-68	\$5,269,375
1968-69	\$6,096,799
1969-70	\$6,872,495
1970-71	\$8,036,913
1971-72	\$8,665,384

Estimated Income From Student Registration Fees

On the Basis of the Student Registration Fees which will become effective September 1, 1973, it is estimated that the proceeds to be derived from these fees (which will be the Revenues of the Project) for each of the academic years 1972-73 through 1978-79 will be as set forth in the following tabulation:

Academic Year	Estimated Total Fees Collected
1972-73	\$10,134,000
1973-74	\$11,512,500
1974-75	\$11,834,850
1975-76	\$12,178,050
1976-77	\$12,604,300
1977-78	\$12,932,000
1978-79	\$13,319,950

COVERAGE OF DEBT SERVICE REQUIREMENTS

This tabulation of coverage of debt service requirements as set forth below is based on the schedule of annual debt service for the Consolidated Educational Buildings Project Revenue Bonds as shown herein.

Estimated Maximum Annual Debt Service Requirement (1976)	\$ 3,656,533.75
1972-73 Estimated Project Revenues	\$10,134,000.00
Times Maximum Debt Service Covered	2.77x
1973-74 Estimated Project Revenues	\$11,512,500.00
Times Maximum Debt Service Covered	3.15x

Calculation for Parity Bonds

(Minimum Allowable Coverage 1.25x)	
Average of Revenues 1970-71/1971-72 (As Adjusted to September 1, 1973 Fee Schedule)	\$11,471,137.00
Estimated Maximum Annual Debt Service Requirement	\$ 3,656,533.75
Times Maximum Debt Service Covered	3.13x

Note: The schedule of maturities for the Refunding Bonds is intended to provide after May 1, 1981, a payment of principal and interest in each year on the Refunding Bonds approximately equal to the requirement for the same year on the Bonds To Be Refunded. Accordingly, the Coverage calculations above and the following schedule of Annual Debt Service Requirements present such Requirements as they presently exist for the outstanding Series A, B, C, and D Bonds.

**COMBINED ANNUAL DEBT SERVICE REQUIREMENTS OF
THE SERIES A, SERIES B, SERIES C AND SERIES D BONDS**

Year Ending May 1	DEBT SERVICE REQUIREMENTS SERIES A, B & C	Series D		TOTAL DEBT SERVICE All Series
		Principal	Interest	
1973	\$1,201,506.25	\$ 210,000	\$2,252,390	\$3,663,896.25
1974	1,203,381.25	225,000	2,236,640	3,665,021.25
1975	1,209,406.25	235,000	2,219,765	3,664,171.25
1976	1,204,393.75	250,000	2,202,140	3,656,533.75
1977	1,208,681.25	260,000	2,183,390	3,652,071.25
1978	1,216,550.00	270,000	2,163,890	3,650,440.00
1979	1,218,200.00	280,000	2,143,640	3,641,840.00
1980	1,217,918.75	305,000	2,122,640	3,645,558.75
1981	1,221,531.25	320,000	2,099,765	3,641,296.25
1982	1,223,887.50	340,000	2,075,765	3,639,652.50
1983	1,224,987.50	360,000	2,055,365	3,640,352.50
1984	1,229,441.25	380,000	2,033,765	3,643,206.25
1985	1,232,430.00	400,000	2,010,965	3,643,395.00
1986	1,228,360.00	430,000	1,986,965	3,645,325.00
1987	732,000.00	790,000	1,961,165	3,483,165.00
1988	721,370.00	855,000	1,909,815	3,486,185.00
1989	234,050.00	1,395,000	1,854,240	3,483,290.00
1990	233,500.00	1,490,000	1,763,565	3,487,065.00
1991	232,800.00	1,585,000	1,666,715	3,484,515.00
1992	231,950.00	1,690,000	1,563,690	3,485,640.00
1993	230,950.00	1,800,000	1,453,840	3,484,790.00
1994	234,800.00	1,915,000	1,336,840	3,486,640.00
1995	233,350.00	2,040,000	1,210,450	3,483,800.00
1996	231,750.00	2,175,000	1,075,810	3,482,560.00
1997	-0-	2,550,000	932,260	3,482,260.00
1998	-0-	2,715,000	761,410	3,476,410.00
1999	-0-	2,890,000	579,505	3,469,505.00
2000	-0-	3,075,000	385,875	3,460,875.00
2001	-0-	3,270,000	179,850	3,449,850.00

OUTSTANDING BONDS OF THE UNIVERSITY

Name of Issue	Year of Issue	Amount of Issue	Amount Outstanding 7-1-72	Year of Final Maturity
Fraternity and Sorority Dormitory Bonds				
Dormitory Revenue Bonds	1950	\$ 74,500	\$ 22,500	1980
Dormitory Revenue Bonds	1950	76,000	27,000	1980
Dormitory Revenue Bonds of 1953	1953	710,000	354,000	1983
Dormitory Revenue Bonds	1956	900,000	700,000	1996
Dormitory Revenue Bonds	1956	150,000	116,000	1996
Dormitory Revenue Bonds	1957	100,000	44,000	1982
Dormitory Revenue Bonds	1958	150,000	118,000	1998
Housing Bonds of 1960	1960	300,000	253,000	2000
Student Housing Bonds of 1964	1964	640,000	583,000	2004
Dormitory Revenue Bonds (Rose Street)	1969	130,000	115,000	1994
Total			\$ 2,332,500	

<u>Educational Buildings</u>	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding 7-1-72</u>	<u>Year of Final Maturity</u>
Consolidated Educational Buildings Revenue Bonds - Series A	1960	\$ 8,000,000	\$ 5,400,000	1986
Consolidated Educational Buildings Revenue Bonds - Series B	1963	7,500,000	5,730,000	1988
Consolidated Educational Buildings Revenue Bonds - Series C	1970	4,290,000	3,965,000	1996
Consolidated Educational Buildings Revenue Bonds - Series D	1971	34,700,000	34,500,000	2001
Community Colleges*			<u>\$49,595,000</u>	
Community Colleges Educational Buildings Revenue Bonds - Series A	1971	\$12,125,000	\$12,045,000	2009
Community Colleges Educational Buildings Revenue Bonds - Series B	1971	\$ 4,489,000	\$ 4,355,000	2009
Housing and Dining System Revenue Bonds*	Total		<u>\$16,400,000</u>	
Housing and Dining Bonds - Series A	1965	\$ 1,000,000	\$ 780,000	1990
Housing and Dining Bonds - Series B	1965	\$ 275,000	\$ 275,000	1994
Housing and Dining Bonds - Series C	1965	\$ 955,000	\$ 795,000	1995
Housing and Dining Bonds - Series D	1965	\$ 1,835,000	\$ 1,535,000	1996
Housing and Dining Bonds - Series E	1965	\$ 1,580,000	\$ 1,345,000	1997
Housing and Dining Bonds - Series F	1965	\$ 1,155,000	\$ 1,130,000	2001
Housing and Dining Bonds - Series G	1965	\$ 1,375,000	\$ 1,375,000	2002
Housing and Dining Bonds - Series H	1965	\$ 6,900,000	\$ 4,970,000	1990
Housing and Dining Bonds - Series I	1965	\$20,000,000	\$19,780,000	2005
	Total		<u>\$31,985,000</u>	

**In addition to the above, the University has outstanding certain old issues of Dormitory and Dining Bonds and of Community Colleges Bonds now advance refunded with full principal and interest on deposit and escrowed.*

All of foregoing descriptions or statements of provisions of the Resolutions, the Kentucky Revised Statutes, the Bonds, and other documents of the University are made subject, respectively, to all provisions thereof, to which reference is hereby made for further information, and do not purport to be complete statements of such provisions.

UNIVERSITY OF KENTUCKY

/s/ Albert G. Clay

Chairman or Vice Chairman
Board of Trustees

ATTEST:

/s/ Lucile T. Blazer

Secretary of the Board of Trustees

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A RESOLUTION AUTHORIZING THE REFUNDING AT A LOWER INTEREST COST TO THE UNIVERSITY OF KENTUCKY OF ALL REDEEMABLE OUTSTANDING UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D, HERETOFORE ISSUED UNDER DATE OF MAY 1, 1971, SUCH REFUNDING TO BE CARRIED OUT ON MAY 1, 1981; AUTHORIZING THE ISSUANCE OF CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D, DATED MARCH 1, 1973, FOR THE PURPOSE OF PROVIDING FUNDS TO EFFECTUATE SAID REFUNDING, INCLUDING PROVISION FOR THE PAYMENT OF PRINCIPAL OF AND THE PRESCRIBED REDEMPTION PREMIUM IN RESPECT OF ALL REDEEMABLE BONDS OF SAID ISSUE DATED MAY 1, 1971; PROVIDING FOR INVESTMENT OF THE PROCEEDS OF THE REFUNDING REVENUE BONDS HEREIN AUTHORIZED; PROVIDING FOR A PUBLIC SALE OF SAID REFUNDING REVENUE BONDS; AND TAKING ACTION TO PROVIDE FOR THE REDEMPTION AND PAYMENT OF THE PREVIOUSLY ISSUED BONDS DATED MAY 1, 1971, WHICH ARE TO BE REFUNDED.

Whereas, under date of September 20, 1960, the Board of Trustees of the University of Kentucky, acting as the duly authorized and constituted governing body of said University, adopted a Resolution creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky, creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of said University, and providing for the issuance of said Bonds in series from time to time upon showings of compliance with certain terms, requirements and conditions in respect thereof, which are enumerated with specificity in said Resolution; and

Whereas, pursuant to authorization of said Resolution of September 20, 1960, the University of Kentucky has from time to time issued, pursuant to certain Series Resolutions, its Consolidated Educational Buildings Revenue Bonds, and pursuant to Resolutions adopted under date of November 27, 1967 and June 8, 1971 (hereinafter collectively sometimes referred to as the "Series D Resolution"), there were authorized, sold at public competitive sale, and issued \$34,700,000.00 principal amount of "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, of which \$34,500,000.00 principal amount thereof remain outstanding and unpaid as of the instant date; and

Whereas, the Series D Resolution provides by its terms that all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1982, are subject to redemption at the option of the Board of Trustees of the University of Kentucky on May 1, 1981, at a redemption premium of three percent (3%), and on May 1, 1981, \$32,145,000.00 principal amount of said identified Series D Bonds will be outstanding and redeemable; and

Whereas, all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1981, bear interest at rates which are considered by the Board of Trustees of the University of Kentucky to be inordinately high in the light of present market conditions, and said Board of Trustees has determined that it would be in the best interests of the University of Kentucky to refund at a lower interest cost to the University all of said Consolidated Educational Buildings Revenue Bonds, Series D, maturing on and after May 1, 1982, in the principal amount of \$32,145,000.00 (hereinafter sometimes referred to as the "Bonds to be Refunded"); and

Whereas, it has been determined, in consultation with Financial Advisors, Bond Counsel and other Counsel, and other experts, that such refunding may best be effectuated by the issuance of Refunding Revenue Bonds, the proceeds of which will be invested in Eligible Obligations, as hereinafter defined, which shall mature or which shall be subject to redemption by the holder thereof at the option of said holder, not later than the respective date or dates when said proceeds, together with the interest accruing thereon, will be required for the refunding purposes intended and authorized; and

Whereas, the Refunding Revenue Bonds of the University herein authorized shall be secured until the date established for the redemption of the Bonds to be Refunded, solely as to both principal and interest, by a pledge of and lien upon the Eligible Obligations acquired by the application of the proceeds of the Refunding Revenue Bonds herein authorized, and shall not, until the refunding of the Bonds to be Refunded has been effected on May 1, 1981, be secured by the revenues of the Consolidated Educational Buildings Project and any other contractual arrangements securing the Bonds to be Refunded; but shall, as of May 1, 1981, be substituted for the Bonds to be Refunded, and be ratably entitled to all of the benefits of the Resolution adopted on September 20, 1960, in common with all other Consolidated Educational Buildings Revenue Bonds of the University, heretofore or hereafter issued; and

Whereas, for the purpose of providing funds for refunding the Bonds to be Refunded as of May 1, 1981, including the payment of the redemption premium thereon, thereby taking advantage of the lower interest rates for public securities now prevailing, and effecting substantial savings, the Board of Trustees has determined that it is appropriate at this time to authorize the issuance of its "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated as of the 1st day of March, 1973, to be secured solely by a pledge of and lien upon Eligible Obligations until May 1, 1981, and thereafter, following the redemption of the Bonds to be Refunded, to be secured by a pledge of and lien upon the revenues of the Consolidated Educational Buildings Project, and to rank on a pari passu basis with all other Consolidated Educational Buildings Revenue Bonds of the University of Kentucky, heretofore and hereafter issued:

Now, Therefore, the Board of Trustees of the University of Kentucky Hereby Resolves, as Follows:

ARTICLE I

Definitions

Section 1.01. In addition to words and terms elsewhere defined in this Resolution, the following words and terms as used in this Resolution shall have the following meanings unless some other meaning is plainly intended:

(a) "Board" means the Board of Trustees of the University of Kentucky as created and existing under the provisions of Section 164.130, et seq., of the Kentucky Revised Statutes, or its Executive Committee created and elected pursuant to Section 164.190 of the Kentucky Revised Statutes when exercising the powers delegated to it by the Board.

(b) "Bond Fund" means the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund", created and established by the Resolution, and pledged to the payment of principal and interest on all Consolidated Educational Buildings Revenue Bonds.

(c) "Bondholder of Record" means any bondholder who shall have filed with the Trustee such showings as may be required for registration of Refunding Bonds and whose Bonds have been duly registered as provided by the Series D Refunding Resolution.

(d) "Bonds" means all series of Consolidated Educational Buildings Revenue Bonds of the Board of the issue established and created by the Resolution.

(e) "Bonds to be Refunded" means all Bonds maturing on and after May 1, 1982, of that certain issue of Bonds identified as "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, and being Bonds numbered 448 to 6,940 of said issue, all in the principal amount of \$5,000.00.

(f) "Chairman" means the Chairman and each and every Vice Chairman, and each and every officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.

(g) "Consolidated Educational Buildings Project" or "Project" means all educational buildings and necessary appurtenances heretofore erected and located on the property of the University in Fayette County, Kentucky, and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of the sale of Bonds, and excluding all housing buildings and facilities of the University and all buildings and facilities exclusively for athletics as distinguished from those which are or may be wholly or principally for physical education.

(h) "Eligible Obligations" means direct obligations of or obligations the principal of and the interest on which are unconditionally guaranteed by the United States of America or United States Government Agency obligations; Certificates of Time Deposit issued by banks or trust companies and fully collateralized by Eligible Obligations as herein defined; Bonds, Consolidated Bonds, Collateral Trust Debentures or other obligations issued by Federal Land Banks or federal intermediate credit banks established under the Federal Farm Loan Act as amended; bonds, debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act, as amended; and bonds of any Federal Home Loan Bank established under said Act; and any securities now or hereafter authorized, both the principal of and interest on which are guaranteed directly or indirectly by the full faith and credit of the United States of America.

(i) "Enabling Act" means Section 162.340, et seq., of the Kentucky Revised Statutes.

(j) "Paying Agents" means the Trustee or any successor trustees, together with Chemical Bank, in the Borough of Manhattan, City and State of New York, as designated in the Series D Resolution and in the Series D Refunding Resolution by action of the Board.

(k) "Redemption Fund" means the special fund created by the Series D Refunding Resolution from which principal and interest on the Refunding Bonds are to be paid until May 1, 1981, and which Fund is to be utilized on May 1, 1981, for the payment of the Bonds to be Refunded.

(l) "Refunding Bonds" means the issue of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, authorized by the Series D Refunding Resolution.

(m) "Resolution" means that certain Resolution adopted by the Board of Trustees of the University of Kentucky on September 20, 1960, creating a Consolidated Educational Buildings Project of the University of Kentucky.

(n) "Revenues" means all revenues derived from the Consolidated Educational Buildings Project, and which Revenues are to be derived through the imposition and collection of a student registration fee from all students attending the University of Kentucky and its Extension Program in Fayette County, Kentucky, for the services furnished by the Consolidated Educational Buildings Project.

(o) "Secretary" means 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.

(p) "Series D Refunding Resolution" means this Resolution.

(q) "Series D Resolution" means collectively, those certain Resolutions of the Board of Trustees of the University of Kentucky adopted on November 27, 1967 and June 8, 1971, authorizing the issuance and sale of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D.

(r) "Series of Bonds" or "Bonds of a Series" means a Series of Bonds issued by a Series Resolution.

(s) "Series Resolution" means a Resolution supplemental to the Resolution authorizing the issuance of a Series of Bonds.

(t) "Treasurer" means 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.

(u) "Trustee" means First Security National Bank and Trust Company of Lexington, duly designated as Trustee for said Consolidated Educational Buildings Revenue Bonds by action of the Board.

(v) "University" means the University of Kentucky situated in Lexington, Fayette County, Kentucky.

ARTICLE II

Authorization of University of Kentucky Consolidated Educational Building Refunding Revenue Bonds, Series D

Section 2.01. Limitations. No Refunding Bonds may be issued under the provisions of this Series D Refunding Resolution except in strict accordance with the provisions of this Article.

Section 2.02. Declaration of Legislative Intent. It is hereby resolved, ordered and declared by the Board that the refunding at a lower interest cost of the Bonds to be Refunded, by the issuance of the Refunding Bonds herein authorized, is in the best interests of the University, will result in a material and substantial monetary saving to the University, and will constitute the performance and carrying out of a proper public purpose. The issuance of Refunding Bonds as particularly described in this *Article II* is authorized and shall be carried out forthwith, and it is ordered that the Bonds to be Refunded shall be called and redeemed upon the terms and conditions stipulated in the Series D Resolution on May 1, 1981.

Section 2.03. Authorization of Refunding Bonds. For the purpose of providing funds for the purpose of refunding on May 1, 1981, all of the University's then outstanding Consolidated Educational Buildings Revenue Bonds, Series D, dated May 1, 1971 (the Bonds to be Refunded), including the payment of the redemption premium thereon, there are hereby authorized to be issued University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds in the aggregate principal amount of Thirty-one Million Dollars (\$31,000,000.00). Said Bonds shall be dated as of March 1, 1973, and shall consist of six thousand two hundred (6,200) Bonds of the denomination of Five Thousand Dollars (\$5,000.00) each, numbered consecutively from one (1) to six thousand two hundred (6,200) inclusive, bearing interest payable on November 1, 1973, and thereafter semiannually on May 1 and November 1 of each year to payment of principal, to be evidenced by coupons attached to said Bonds. Said Refunding Bonds shall bear interest at such coupon rate or rates as may be fixed by Resolution of the Board, or its Executive Committee, as a result of an advertised, public, competitive sale of said Refunding Bonds. Said Refunding Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<u>BONDS NUMBERED</u>	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
(Inclusive)		
1 - 117	\$ 585,000	May 1, 1982
118 - 241	620,000	May 1, 1983
242 - 372	655,000	May 1, 1984
373 - 511	695,000	May 1, 1985
512 - 658	735,000	May 1, 1986
659 - 882	1,120,000	May 1, 1987
883 - 1,121	1,195,000	May 1, 1988
1,122 - 1,471	1,750,000	May 1, 1989
1,472 - 1,843	1,860,000	May 1, 1990
1,844 - 2,236	1,965,000	May 1, 1991

<u>BONDS NUMBERED</u>	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
(Inclusive)		
2,237 - 2,653	\$2,085,000	May 1, 1992
2,654 - 3,094	2,205,000	May 1, 1993
3,095 - 3,561	2,335,000	May 1, 1994
3,562 - 4,056	2,475,000	May 1, 1995
4,057 - 4,579	2,615,000	May 1, 1996
4,580 - 5,180	3,005,000	May 1, 1997
5,181 - 5,815	3,175,000	May 1, 1998
5,816 - 6,200	1,925,000	May 1, 1999

Section 2.04. Place of Payment. The principal of and interest on said Refunding Bonds shall be payable in any coin or currency of the United States of America, which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, Trustee, or at the option of the holders of the respective Refunding Bonds and coupons, at the principal office of Chemical Bank, in the Borough of Manhattan, City and State of New York, which financial institutions are hereby appointed and designated as Paying Agents for the Refunding Bonds.

Section 2.05. Redemption Provisions. The Refunding Bonds maturing on May 1, 1984 and thereafter (being the Bonds numbered 242 and upwards) shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1983, at the redemption prices expressed in percentages of principal amount, with respect to each Bond, as set forth below, plus in each case accrued interest to the date of redemption:

<u>IF REDEEMED</u>	<u>REDEMPTION PRICE</u>
On or after May 1, 1983 and prior to May 1, 1987	104%
On or after May 1, 1987 and prior to May 1, 1992	103%
On or after May 1, 1992 and prior to May 1, 1997	102%
On and after May 1, 1997 and prior to final maturity	101%

Section 2.06. Execution of Bonds. Said Refunding Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Refunding Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Refunding Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman and said Secretary.

Section 2.07. Execution of Bonds by Trustee. It is acknowledged that First Security National Bank & Trust Company of Lexington, Lexington, Kentucky, was designated by the Series D Resolution as Trustee for the benefit of all of the holders of said Bonds to be Refunded; and as the Refunding Bonds will, as of May 1, 1981, be substituted for the Bonds to be Refunded and will, on and after said date be entitled to all of the rights and incidences appertaining thereto, First Security National Bank & Trust Company of Lexington, Lexington, Kentucky, is hereby reaffirmed as Trustee in connection with the Refunding Bonds, to secure for the benefit of all of the holders of said Refunding Bonds the faithful performance of the covenants and provisions contained in the Resolution, the Series D Resolution, and the Series D Refunding Resolution, in the manner and to the extent as permitted and provided in the Resolution, the Series D Resolution, and the Series D Refunding Resolution, with all powers and duties as set forth in said identified Resolutions. Execution of the Certificate of Authentication of the Trustee on each of the respective Refunding Bonds by the Trustee shall conclusively establish the acceptance by the Trustee, as to such Refunding Bonds, of the trusts and provisions with respect thereto, as set forth in the Resolution, the Series D Resolution, and this Series D Refunding Resolution.

Only such of the Refunding Bonds as shall have endorsed thereon a Certificate of Authenticity substantially in the form hereinafter set forth in Section 2.12 hereof, duly executed by the Trustee, shall be entitled to any benefits or security under this Series D Refunding Resolution. No Refunding Bond and no coupon appertaining to any Refunding Bond shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee, and such Certificate of the Trustee upon any such Refunding Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Series D Refunding Resolution. The Trustee's Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time. Before authenticating or delivering any coupon Bonds the Trustee shall detach and cancel all matured coupons, if any, appertaining thereto except any coupons which represent unpaid interest.

Section 2.08. Title to any Refunding Bond. Title to any Refunding Bond, unless such Refunding Bond is registered in the manner provided in the Resolution, and to any interest coupon, shall pass by delivery in the same manner as a negotiable instrument payable to bearer. The Trustee as bond registrar, shall keep books for the registration and for the transfer of Bonds. At the option of the bearer, any Refunding Bond may be registered as to principal alone on such books upon presentation thereof to the Trustee as bond registrar, which shall make notation of such registration thereon. Any such Refunding Bond registered as to principal alone may thereafter be transferred only upon an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee as bond registrar, such transfer to be made on such books and endorsed on the Bond by the Trustee. Such transfer may be to bearer and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before. The principal of any Refunding Bond registered as to principal alone shall be payable only to or upon the order of the registered owner or his legal representative, but the coupons appertaining to any Refunding Bond registered as to principal alone shall remain payable to bearer notwithstanding such registration.

Any person in possession of any Refunding Bond, unless such Refunding Bond shall be registered as to principal alone, or of any coupon appertaining to any Refunding Bond, whether such Refunding Bond shall be registered as to principal alone or not, regardless of the manner in which he shall have acquired possession, is hereby authorized to represent himself as the absolute owner of such Refunding Bond or coupon, as the case may be, and is hereby granted power to transfer absolute title thereto, by delivery thereof before the maturity of such Refunding Bond, to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his transferor or any person in the chain of title. Any registered owner of any Registered Bond registered as to principal alone is hereby granted power to transfer absolute title thereto, by assignment hereof before the maturity of such Bond, to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title. Every prior holder or owner of any Refunding Bond or of any coupon appertaining to any Refunding Bond shall be deemed to have waived and renounced all of his equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

Section 2.09. Substitution for Lost and Mutilated Revenue Bonds. In case any Refunding Bond authorized hereunder shall become mutilated, destroyed or lost, the Board shall cause to be executed and the Trustee shall authenticate and deliver a new Refunding Bond of like date and tenor in exchange and substitution for, and upon the cancellation of, such mutilated Refunding Bond and its interest coupons, if any; or in lieu of and in substitution for such Refunding Bond and its coupons, if any, destroyed or lost, upon the holder's paying the reasonable expenses and charges of the Board and the Trustee in connection therewith and, in the case of a Refunding Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it and to the Board that such Refunding Bond and coupons, if any, were destroyed or lost, and of his ownership thereof, and furnishing to the Board and Trustee indemnity satisfactory to them.

Section 2.10. Signatures Valid Notwithstanding Change in Status. In case any officer whose signature or a facsimile of whose signature shall appear on any Refunding Bond or coupons shall cease to be such officer before the delivery of such Refunding Bond or coupons, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if said officer had remained in office until such delivery. Further, any Refunding Bond or coupon may bear the facsimile of, or may be signed by, such persons as at the actual time of the execution of such Refunding Bond or coupons shall be the proper officers to sign such Refunding Bond or coupons, although at the date of such Refunding Bond or coupons such persons may not have been such officers.

Section 2.11. Confirmation of Resolution and Series D Resolution. All terms, provisions and conditions of the Resolution creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky and establishing an issue of Consolidated Educational Buildings Revenue Bonds, and the Series D Resolution, are hereby confirmed, ratified, readopted and continued in all respects, and the provisions of said Resolution and Series D Resolution in respect to the application of Revenues of the Project, the Bond Fund, security, and all other matters to the extent not inconsistent with the terms of this Series D Refunding Resolution shall, from and after May 1, 1981, apply fully to said Refunding Bonds, which shall, from and after said date, be deemed to have been issued under and pursuant to, and secured by, said Resolution.

Section 2.12. Form of Refunding Bonds. The Refunding Bonds and coupons and provisions for registration appertaining thereto, and the Certificate of the Trustee to be endorsed on said Refunding Bonds shall be in substantially the following respective forms, to-wit:

FORM OF BOND
UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BOND
SERIES D

No. _____

\$5,000.00

The Board of Trustees of the University of Kentucky, a body corporate, and an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely and only from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of Five Thousand Dollars (\$5,000.00) on the first day of May, 19____, and to pay, solely and only from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ percent (____%) per annum, such interest being payable semiannually on the first days of May and November in each year, commencing November 1, 1973, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof or of the interest coupons hereto appertaining, at the principal office of Chemical Bank in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", issued and to be issued under and in full compliance with a certain Resolution of the Board of Trustees (the "Series D Refunding Resolution") and 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, for the purpose of providing funds for refunding on May 1, 1981, all the "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, which are stated to mature after May 1, 1981 and are then outstanding (herein called the "Bonds to be Refunded"), and which were issued under and pursuant to the Resolution adopted by the Board of Trustees on September 20, 1960 (hereinafter referred to as the "Resolution"), and Resolutions adopted by the Board of Trustees, acting through its statutory Executive Committee, on November 27, 1967, and June 8, 1971 (hereinafter referred to as the "Series D Resolution").

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

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", (herein called the "Refunding Bonds") issued in the aggregate amount of \$31,000,000.00 for the purpose of refinancing at a lower interest cost the Bonds to be Refunded, which were initially issued for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said University (hereinafter referred to as the "Project"). Copies of the Series D Refunding Resolution, the Resolution, and the Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Series D Resolution and the Series D Refunding Resolution, pursuant to which First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one, and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of 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 the Series D Resolution, the Series D Refunding Resolution and the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond, the Resolution, the Series D Resolution or the Series D Refunding Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution, the Series D Resolution, or the Series D Refunding Resolution, or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Resolution, the Series D Resolution, or the Series D Refunding Resolution; or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Series D Refunding Resolution and the Resolution. This Bond and the series of which it forms a part are payable (a) as to interest coupons maturing on and prior to May 1, 1981, solely and only from the yield produced by the investment of the net

proceeds of the Refunding Bonds in Eligible Obligations as provided in the Series D Refunding Resolution, which Eligible Obligations and the yield therefrom are held in a special account designated "Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund" (herein called the "Redemption Fund"), and (b) as to principal, and as to interest maturing after May 1, 1981, (except upon the occurrence of certain events of default as defined in the Series D Refunding Resolution) solely and only from a pledge of a fixed amount of the gross Revenues of the Project, as hereinafter stated. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on all Consolidated Educational Buildings Revenue Bonds issued pursuant to authority of the Resolution as the same becomes due, and to pay or retire the principal of such Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest. Upon redemption of the Bonds to be Refunded, this Refunding Bond and the series of which it is a part will constitute a duly authorized series of Consolidated Educational Buildings Revenue Bonds pursuant to the Resolution, and in common with all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, will be payable as to principal and interest solely and only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute an 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.

The Bonds maturing May 1, 1984, and thereafter (being the Bonds numbered 242 and upwards) shall be subject to redemption at the option of the Board of Trustees in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1983, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1983, and prior to May 1, 1987	104%
On and after May 1, 1987, and prior to May 1, 1992	103%
On and after May 1, 1992, and prior to May 1, 1997	102%
On and after May 1, 1997, and prior to final maturity.	101%

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

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

From and after May 1, 1981, a statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Refunding Bond and the issue of Refunding Bonds of which it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

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

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be

performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Trustees and of the University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that the income and revenues derived from the sources hereinabove particularly identified have been pledged to and will be set aside into special funds for the payment of the principal of and interest on this Refunding Bond and the issue of which it is one, as and when the same will respectively become due.

In Testimony Whereof, the Board of Trustees of the University of Kentucky has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all being done as of the first day of March, 1973.

(Facsimile of Seal)

(Facsimile)

Chairman
Board of Trustees
University of Kentucky

ATTEST:

(Manual Signature)

Secretary
Board of Trustees

(FORM OF COUPON)

No. _____

\$ _____

On the first day of _____, 19____, (1) (unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Trustees of the University of Kentucky, at Lexington, Kentucky, will pay to bearer _____ Dollars (\$____) in any coin or currency which at the time of payment thereof is legal tender for the payment of public and private debts out of its (2) ("Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund") (3) ("Consolidated Educational Buildings Project Bond and Interest Sinking Fund") at the principal office of First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank, in the City of New York, New York, as provided in and for interest then due on its Consolidated Educational Buildings Refunding Revenue Bond, Series D, dated March 1, 1973, Number _____.

(Facsimile)

Chairman
Board of Trustees
University of Kentucky

(Facsimile)

Secretary
Board of Trustees

- (1) *The phrase in parenthesis should appear only on coupons maturing on and after May 1, 1983, attached to Bonds numbered 118 to 6,200, inclusive.*
(2) *The phrase in parenthesis should appear only on coupons maturing to and including May 1, 1981.*
(3) *The phrase in parenthesis should appear only on coupons maturing after May 1, 1981.*

CERTIFICATE OF AUTHENTICATION

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

FIRST SECURITY NATIONAL BANK AND
TRUST COMPANY OF LEXINGTON, TRUSTEE

By (Manual Signature)
Authorized Officer

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

Date of Registration	:	Name of Registered Holder	:	Signature of Authorized Officer of Trustee
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	

ARTICLE III

Provisions Relating to Sale of Bonds

Section 3.01. Public Competitive Sale. The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a Bond Sale Notice in respect of the Refunding Bonds to be published in The Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford statewide notice of the sale, and in The Daily Bond Buyer, a financial journal published in the Borough of Manhattan, City and State of New York, which is a publication having general circulation among bond buyers, said newspaper and financial journal being hereby declared to be qualified to publish said Bond Sale Notice for the Board of Trustees within the meaning and provisions of KRS Chapter 424. Such Bond Sale Notice shall be published in said newspaper and financial journal at least once and shall appear not less than seven (7) days nor more than twenty-one (21) days prior to the scheduled sale of said Refunding Bonds.

Section 3.02. Approval of Notice and Official Statement. An appropriate form of "Notice of Sale of Refunding Bonds" soliciting sealed competitive bids for the purchase of all of the Refunding Bonds hereby authorized having been prepared by Bond Counsel, such form of "Notice of Sale of Refunding Bonds" is hereby approved and may be utilized for the purposes stated. An "Official Statement" setting forth and disclosing the terms and conditions of the Refunding Bond sale, together with data customarily presented in matters of this nature to prospective Bond purchasers having been prepared and submitted by the Financial Advisors, said Official Statement is hereby approved and shall be utilized in connection with the public, competitive sale of the Refunding Bond issue.

Section 3.03. Award of Refunding Bonds. Upon the day and at the hour determined for the opening and consideration of purchase bids for the Refunding Bonds, sealed bids theretofore received by the Secretary shall be delivered to the Board or its Executive Committee then in session and shall be publicly opened and publicly read by the Chairman. Any purchase bid which is found to fail to conform to the stipulated terms and conditions of the bidding shall be rejected (the Board reserving the right, however, to waive minor informalities and irregularities in the bidding), and all bids which conform to the prescribed terms and conditions of the offering shall be compared, and the Board covenants and agrees that it will accept the lowest and best of such bids as measured in terms of the lowest interest cost to the University. Provided, however, that inasmuch as the Refunding Bonds are being issued for the purpose of providing a substantial monetary saving to the University, the Board reserves the right to reject all bids received in the event the Board should in its sound discretion determine that the quantum of monetary savings afforded to the University by the lowest and best bid submitted is not deemed to be satisfactory.

Section 3.04. Acceptance of Bid. Subject to all of the foregoing conditions of this *Article III*, if the Board or its Executive Committee shall accept a purchase bid for the Refunding Bonds, as authorized by this Series D Refunding Resolution, the Board or its Executive Committee shall adopt a Resolution to that effect, supply proper evidence of such acceptance to the bidder or bidders submitting the accepted purchase bid, and direct the Financial Advisor to proceed forthwith in the preparation of definitive Refunding Bonds and the delivery of same upon the order of the Board.

ARTICLE IV

Custody and Application of Proceeds of Refunding Bonds

Section 4.01. Delivery of Refunding Bonds to Purchaser. Following the advertised public, competitive sale of said Refunding Bonds, said Refunding Bonds shall be prepared and executed substantially in the form and manner set forth in *Article II* of this Series D Refunding Resolution, and shall be deposited with the Trustee for authentication; provided,

however, that before said Refunding Bonds shall be authenticated and delivered by the Trustee to the purchaser, there shall be filed with the Trustee, the following:

- (a) a copy, certified by the Secretary of the Series D Refunding Resolution authorizing the issuance of said Refunding Bonds;
- (b) a copy, certified by the Secretary of the resolution adopted by the Board awarding said Refunding Bonds, specifying the interest rate or rates of said Refunding Bonds, and directing the authentication and delivery of said Refunding Bonds to or upon the order of the purchaser therein named upon payment of the purchase price therein set forth.

When the documents mentioned above in this *Section 4.01* shall have been filed with the Trustee, and when said Refunding Bonds have been executed and authenticated as required by this Series D Refunding Resolution, the Trustee shall deliver said Bonds at one time to or upon the order of the purchaser named in the resolution mentioned in clause (b) of this *Section 4.01*, but only upon payment to the Trustee of the purchase price plus accrued interest of said Refunding Bonds. The Trustee shall be entitled to rely upon such resolution as to the names of the purchaser or purchasers, and the amount of such purchase price.

Section 4.02. Creation of Redemption Fund. A special Fund is hereby created and established, and same is designated as the "Consolidated Educational Buildings Project, Series D, Refunding Bond and Interest Redemption Fund" (the "Redemption Fund"), to the credit of which such deposits shall be made as are required by *Section 4.03* of this Series D Refunding Resolution.

The moneys and Eligible Obligations in the Redemption Fund shall be held by the Trustee in trust and shall be applied in accordance with the provisions of this *Article IV*, and, pending such application, shall be subject to a lien and right in favor of the holders of the Refunding Bonds and for the further security of such holders until paid out as herein provided.

Section 4.03. Application of Bond Proceeds. The proceeds of said Refunding Bonds shall be applied by the Trustee simultaneously with the delivery of said Refunding Bonds, as follows:

- (1) Accrued interest received from the purchaser or purchasers of the Refunding Bonds shall be held in cash and used to pay first maturing interest on the Refunding Bonds.
- (2) From the remaining proceeds, there shall first be deducted and paid all fees and costs incident to said issue of Refunding Bonds, including, but not by way of limitation, sums payable for financial advisory and legal services, charges which may be due and payable to bond rating services, and which are obligations properly paid from the proceeds of the Refunding Bonds, the initial fee of the Trustee, if any, and all other similar obligations, such payments to be made upon order of the Treasurer of the Board.
- (3) The balance of the proceeds of said Bonds shall, as nearly as may be practicable, be invested and reinvested by the Trustee in Eligible Obligations which shall mature or which shall be subject to redemption by the holder thereof at the option of such holder not later than the respective dates when moneys held for the credit of the Redemption Fund will be required for the purposes intended (being, as aforesaid, payment of interest on said Refunding Bonds to and including May 1, 1981, and redemption of the Bonds to be Refunded as of May 1, 1981).

Eligible Obligations so purchased as an investment of moneys in said Redemption Fund shall be deemed at all times to be a part of said Redemption Fund, and the interest accruing thereon and any profits realized from such investment shall be credited to said Redemption Fund, and any loss resulting from such investment shall be charged to said Redemption Fund. The Trustee shall sell at the best price obtainable or present for redemption any Eligible Obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from said Redemption Fund. Neither the Trustee nor the University shall be liable or responsible for any loss resulting from such investments in Eligible Obligations.

Section 4.04. Payment of Interest on Refunding Bonds. The Trustee shall, on or immediately preceding each interest payment date to and including May 1, 1981, withdraw from the Redemption Fund and deposit in trust with the Paying Agents the amounts required for paying the interest on the Refunding Bonds as such interest becomes due and payable.

Section 4.05. Redemption of Bonds to be Refunded. The Trustee shall, on or immediately preceding May 1, 1981, the date fixed for the redemption of the Bonds so to be Refunded, withdraw from the Redemption Fund and deposit in the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" created by the Resolution (but in a segregated account, so that said funds will not be commingled with other moneys in said Fund), an amount sufficient to pay the principal on, and the redemption premium in respect of the Bonds to be Refunded. Excess funds shall be paid over into the Bond Fund.

Section 4.06. Unclaimed Moneys. All moneys which the Trustee shall have withdrawn from the Redemption Fund and set aside and deposited with the Paying Agents for the purpose of paying any maturing coupons appertaining to any of the Refunding Bonds, shall be held in trust for the respective holders of such coupons. But any moneys which shall be so set aside and deposited by the Trustee and which shall remain unclaimed by the holders of such coupons for the period of ten (10) years after the date on which such coupons shall have become due and payable, shall, upon request in writing, be paid to the University or to such officer, board, or body, as may then be entitled by law to receive the same,

and thereafter the holders of such coupons shall look only to the Board or to such officer, board, or body, as the case may be, for payment, and then only to the extent of the amount so received without any interest thereon, and the Trustee and the Paying Agents shall have no responsibility with respect to such money.

Section 4.07. Cancellation of Refunding Bonds. All Bonds to be Refunded, together with all unmatured coupons, if any, appertaining thereto, shall be cancelled upon the redemption and payment of said Bonds on May 1, 1981. All coupons shall be cancelled upon their payment. All Bonds to be Refunded and coupons cancelled under any of the provisions of this Series D Refunding Resolution shall be destroyed by the Trustee or by any Paying Agent at the request of the Trustee. The Trustee or the Paying Agent effecting such destruction shall execute a Certificate of Destruction in duplicate, describing the Bonds to be Refunded and coupons so destroyed, and one executed Certificate shall be filed with the University, and the other executed Certificate shall be retained by or filed with the Trustee.

Section 4.08. Depository of Moneys. All moneys received by the Board under the provisions of this Series D Refunding Resolution and all Eligible Obligations purchased as an investment of such moneys shall be deposited with the Trustee. All moneys and obligations deposited under the provisions of this Series D Refunding Resolution with the Trustee shall be held in trust and applied only in accordance with the provisions of this Series D Refunding Resolution, and shall not be subject to lien or attachment of any creditor of the Commonwealth of Kentucky, the Board, or the University.

ARTICLE V

Publication of Notice of Redemption of Bonds to Be Refunded

Section 5.01. Sale of Refunding Bonds Constitutes Automatic Call of Bonds to be Refunded. In the event the Board, or its Executive Committee, shall in its sound discretion receive and accept a bid for the purchase of the Refunding Bonds authorized by this Series D Refunding Resolution, then in such case, the formal action of the Board in accepting a bid for the purchase of such Refunding Bonds shall constitute in itself and without the necessity of any other affirmative action on the part of the Board an election of the Board to exercise the previously reserved option to call, redeem, pay and retire on May 1, 1981, all of the redeemable Bonds of the Series of "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, as set forth in the Series D Resolution.

Section 5.02. Formal Notice. Should such election to call and redeem said identified Bonds to be Refunded be made by acceptance of a purchase proposed for said Refunding Bonds, the Secretary is hereby authorized and directed, at or prior to delivery of said Refunding Bonds, to execute such appropriate notice of redemption as to said Bonds to be Refunded as may be prepared by Bond Counsel; and the Secretary is hereby authorized and directed to cause a copy of said Notice regarding the redemption of said Bonds to be Refunded to be published one time in The Courier-Journal, Louisville, Kentucky, as constituting a newspaper of general circulation throughout Kentucky, and one time in The Daily Bond Buyer, published in the Borough of Manhattan, City and State of New York, as constituting a financial journal of general circulation published in New York, New York, all as required by the Series D Resolution.

Section 5.03. Reminder Notice. The Board hereby determines and declares that publication, as above authorized, of an acceptable form giving notice of the redemption of the Bonds to be redeemed, will constitute completion of the legal publication requirements incident to the calling for redemption by the University for payment on May 1, 1981 of all the outstanding and redeemable Bonds of the aforesaid "Consolidated Educational Buildings Revenue Bonds, Series D", heretofore issued under date of May 1, 1971. Notwithstanding the same, it is recognized that it may be desirable to cause publication of the identical notice to be made in the same manner within a reasonable time prior to May 1, 1981 as a reminder to the owners and holders of the Bonds to be Refunded. Accordingly, only as a supplemental or reminder notice and without in any manner affecting the proceedings for the redemption of said Bonds to be Refunded on May 1, 1981, it is hereby ordered that copies of the same Redemption Notice shall be delivered to the University's Financial Advisor and to the Trustee, with authorization to each of said parties to cause such Notice to be again published in The Courier-Journal, Louisville, Kentucky, and The Daily Bond Buyer, New York, New York, or their successors, within a reasonable time and more than thirty (30) days prior to May 1, 1981.

ARTICLE VI

Security

Section 6.01. Security Until May 1, 1981. Pursuant to the provisions of this Series D Refunding Resolution, all outstanding and unpaid Refunding Bonds shall, and the interest coupons appertinent thereto, be and are equally and ratably secured until May 1, 1981 by a pledge of and lien upon the principal of, and yield to be derived from, the applicable portion of the proceeds of said Refunding Bonds which is required by the Series D Refunding Resolution to be deposited in the Redemption Fund and invested in Eligible Obligations. As ordered aforesaid, on May 1, 1981, said Redemption Fund shall be used for payment of principal of, redemption premium in respect of, and accrued interest on,

the Bonds to be Refunded. So long as any Refunding Bonds or interest coupons appertaining thereto remain outstanding and unpaid, such principal and yield in respect of the Eligible Obligations may be used only as provided in this Series D Refunding Resolution, and during such period the terms and conditions of this Series D Refunding Resolution shall be irrevocable and may not be amended or modified in any manner to the detriment of the Bondholders.

Section 6.02. Security after May 1, 1981. From and after May 1, 1981, the outstanding and unpaid Refunding Bonds shall be a charge equally secured by a pledge of and lien upon the Revenues of the Project as defined in the Resolution, and shall rank on a pari passu basis with all other series of like Bonds heretofore and hereafter issued pursuant to authority of the Resolution.

Section 6.03. Covenant Against Further Issues Payable From Redemption Fund. The University hereby covenants that it shall not issue any bonds or other obligations payable in any manner from the Redemption Fund ranking on a parity with the Refunding Bonds; provided, however, that as specifically authorized by the Resolution, the University reserves the right to continue in the future to issue further series of parity bonds secured by a pledge of and lien upon the Revenues of the Project, as defined in the Resolution.

Section 6.04. Computation of Parity to May 1, 1981. In making computations in respect of the issuance of further parity issues of Consolidated Educational Buildings Revenue Bonds as permitted by the Resolution, the amortization requirements of the Refunding Bonds to and until May 1, 1981, shall be disregarded, inasmuch as the Refunding Bonds and interest thereon are not, until that date, made payable from the Revenues. Thereafter, the amortization requirements incident to the Refunding Bonds shall be determined in making such parity bond computations as are required by the Resolution.

ARTICLE VII

Refunding Bonds to be Secured by Project Revenues After May 1, 1981

Section 7.01. Recitation. The Refunding Bonds herein authorized to be issued having been issued for the refinancing, as of May 1, 1981 of all Bonds then outstanding and redeemable of the series of "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, and the extinguishment of all legal rights incident to said Bonds to be Refunded being scheduled to occur on May 1, 1981, it is hereby declared, resolved and ordered that from and after May 1, 1981, the Refunding Bonds shall be fully and completely secured by the Revenues of the Project in common equally, and ranking on a parity with, all other series of Consolidated Educational Buildings Revenue Bonds of the University of Kentucky, whether heretofore or hereafter issued.

Section 7.02. Resolution Confirmed. It is hereby ordered, resolved and declared that from and after May 1, 1981, all of the terms, conditions and provisions incorporated in the Resolution shall pertain to and shall be effective with respect to the Refunding Bonds.

ARTICLE VIII

Particular Covenants

Section 8.01. Prompt Payment. The Board covenants that it will promptly pay the principal of and interest on every Refunding Bond issued under the provisions of this Series D Refunding Resolution at the places, on the dates and in the manner provided herein and in said Refunding Bonds and in any coupons appertaining to said Refunding Bonds, according to the true intent and meaning thereof. Such interest, to and including May 1, 1981, is payable solely from the yield accruing on the Eligible Obligations and other moneys held for the credit of the Redemption Fund, which yield and other moneys, to the extent provided in this Series D Refunding Resolution are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified, and nothing in the Bonds or coupons or in this Series D Refunding Resolution shall be construed as obligating the University of Kentucky, the Commonwealth of Kentucky, or any political subdivision thereof, to pay, until after May 1, 1981, the interest thereon except from the yield accruing on the Eligible Obligations held for the credit of the Redemption Fund and such other moneys, or as pledging the faith and credit or taxing power of the Commonwealth of Kentucky or of any such political subdivision. As noted aforesaid, following redemption of the Bonds to be Refunded, the Refunding Bonds and interest thereon shall be payable ratably from the Revenues of the Project.

Section 8.02. No Diversion. The Board covenants that none of the yield accruing on the Eligible Obligations held for the credit of the Redemption Fund will be used for any purpose other than as provided in this Series D Resolution, and no contract or contracts will be entered into or any action taken which shall be inconsistent with the provisions of this Series D Resolution.

Section 8.03. Arbitrage. The Board covenants that it will make or permit no use of, and hereby directs the Trustee to make no use of, any of the proceeds of the Refunding Bonds which, if such use had been reasonably expected on the

date of issuance of said Bonds, would have caused said Bonds to be "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, and such regulations adopted from time to time under said Section 103(d) as may be applicable to said Bonds, and further covenants that it will comply throughout the term of the issue with the requirements of said Section 103(d) and any such applicable regulations.

Section 8.04. Further Assurances. The Board covenants that it will, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the true purposes of this Series D Refunding Resolution.

ARTICLE IX

Concerning the Trustee

Section 9.01. Trust Duties Vest Only During Period Prior to May 1, 1981. It is acknowledged that the Trustee has assumed certain trust duties pursuant to the Resolution and the Series D Resolution in respect of the Consolidated Educational Buildings Revenue Bonds of the University. The trust duties enumerated in this *Article IX* shall be in force and effect during the period from the issuance and delivery of the Refunding Bonds and until May 1, 1981, and shall apply only in respect to the Refunding Bonds.

Section 9.02. Acceptance of Trusts. The Trustee accepts and agrees to execute the trusts imposed upon it by this Series D Refunding Resolution, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Series D Refunding Resolution.

Section 9.03. Limitations. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Series D Refunding Resolution, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Board shall reimburse the Trustee for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith.

Section 9.04. No Responsibility for Validity of Proceedings or Bonds. The Trustee shall have no responsibility in respect of the validity or sufficiency of this Series D Refunding Resolution or the due execution thereof, or in respect of the validity of the Refunding Bonds or of the coupons or the due execution or issuance thereof. The Trustee shall be under no obligation to see that any duties herein imposed upon the Board, the alternate Paying Agent, or any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

Section 9.05. No Liability for Failure of Board to Perform. The Trustee shall not be liable or responsible because of the failure of the Board or any of the employees or agents thereof to perform any act herein required of the Board. The Trustee shall not be responsible for the application of any of the proceeds of the Refunding Bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder, if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Series D Refunding Resolution. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.06. Compensation. Subject to the provisions of any contract between the Board and the Trustee relating to the compensation of the Trustee, the Board shall pay to the Trustee reasonable compensation for all services performed by it hereunder and also all of its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of its powers and duties hereunder, and shall indemnify and save the Trustee harmless against any liability which it may incur in the exercise and performance of its powers and duties hereunder.

Section 9.07. Duties. It shall be the duty of the Trustee, on or before the 10th day of May and November of each year (after May 1, 1973) to file with the Board a statement setting forth in respect of the preceding six (6) months:

- (a) the amount withdrawn by it and the amount deposited with it on account of the Redemption Fund, and the Refunding Bonds and coupons paid and cancelled;
- (b) the amount on deposit with it at the end of such six (6) months' period to the credit of said Redemption Fund;
- (c) a brief description of all Eligible Obligations held by it as an investment of moneys in said Fund; and
- (d) any other Redemption Fund information which the Board may reasonably request.

Section 9.08. Investigations; Reliance on Board. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Series D Refunding Resolution provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of

this Series D Refunding Resolution, and any such certificate shall be evidence of such fact to protect it in any action that it may or may not take, or in respect of anything it may or may not do in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Series D Refunding Resolution, any request, notice, certificate or other instrument from the Board to the Trustee shall be deemed to have been signed by the proper party or parties if signed by an officer or employee of the Board who shall be designated by the Board by resolution for such purpose, and the Trustee may accept and rely upon a certificate signed by the Secretary of the Board as to any action taken by the Board.

Section 9.09. Notification by Bondholders. Except upon the happening of any event of default specified in clauses (a), (b), (d) and (e) of *Section 10.02* of this Series D Refunding Resolution, the Trustee shall not be obliged to take notice or to be deemed to have notice of any event of default hereunder, unless specifically notified in writing of such event of default by the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds hereby secured and then outstanding.

Section 9.10. Trustee May Own Refunding Bonds. The bank or trust company acting as Trustee under this Series D Refunding Resolution, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Refunding Bonds or coupons issued under and secured by this Series D Refunding Resolution, and may join in the capacity of a Bondholder in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee.

Section 9.11. No Warranty of Recitals. The recitals, statements and representations contained herein and in the Refunding Bonds (excluding the Trustee's Certificate of Authentication on the Refunding Bonds) shall be taken and construed as made by and on the part of the Board and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 9.12. Trustee May Act in Good Faith. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding in good faith, reasonably and in accordance with the terms of this Series D Refunding Resolution, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Series D Refunding Resolution, or upon the written opinion of any attorney, engineer, accountant or other expert believed by it to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

Section 9.13. Resignation of Trustee. The Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Board and to all Bondholders of record and published once in a daily newspaper published and of general circulation in the Commonwealth of Kentucky, and in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder, if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts thereof.

Section 9.14. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing executed by the holders of not less than twenty percentum (20%) in aggregate principal amount of the Refunding Bonds hereby secured and then outstanding and filed with the Board and published once in a daily newspaper published and of general circulation in the Commonwealth of Kentucky, and in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments; provided, however, that if there shall be filed with the Board prior to the date on which such removal is so stated to take effect an instrument or concurrent instruments in writing, executed by the holders of a greater aggregate principal amount of the Refunding Bonds hereby secured and then outstanding than the amount of such Bonds held by the holders signing such removal instrument or instruments, objecting to the removal of the Trustee, then such removal instrument or instruments shall be ineffective and the Trustee shall not be removed. A photostatic copy of any instrument filed with the Board under the provisions of this paragraph shall be delivered promptly by the Board to the Trustee.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Series D Resolution with respect to the duties and obligations of the Trustee by any Court of competent jurisdiction upon the application of the Board or the holders of not less than five percentum (5%) in aggregate principal amount of the Refunding Bonds then outstanding under this Series D Refunding Resolution.

Section 9.15. Appointment of Successor Trustee. If at any time hereafter the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon lapse and become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Board shall appoint a Trustee to fill such vacancy. The Board shall publish notice of any such appointment by it made once in each week for four (4) successive weeks in a daily newspaper published and of general circulation in the Commonwealth of

Kentucky, and in a financial journal of general circulation published in the Borough of Manhattan, City and State of New York.

At any time within one year after any such vacancy shall have occurred, the holders of a majority in principal amount of the Refunding Bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing executed by such Bondholders and filed with the Board, may appoint a Successor Trustee which shall supersede any Trustee theretofore appointed by the Board. Photostatic copies of each such instrument shall be delivered promptly by the Board to the predecessor Trustee and to the Trustee so appointed by the holders.

If no appointment of a Successor Trustee shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunding Bond outstanding hereunder or any retiring Trustee may apply to any Court of competent jurisdiction to appoint a Successor Trustee. Such Court may thereupon, after such notice, if any, as such Court may deem proper and prescribe, appoint a Successor Trustee.

Section 9.16. Duties of Successor Trustee. Every Successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Board, an instrument in writing accepting such appointment hereunder, and thereupon such Successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor shall, nevertheless, on the written request of its Successor or of the Board, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of *Section 9.06* of this Article, execute and deliver an instrument transferring to such Successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Board be required by any Successor Trustee for more fully and certainly vesting in such Trustee all the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Board.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Series D Refunding Resolution and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged, consolidated, or converted, or to which the assets and business of such bank or trust company may be sold, shall be deemed the Successor Trustee.

ARTICLE X

Remedies

Section 10.01. Extended Coupons. 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 or such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Series D Refunding Resolution, except subject to the prior payment in full of the principal of all Bonds then outstanding and of all coupons and interest the time for the payment of which shall not have been extended.

Section 10.02. Events of Default. Each of the following events is hereby declared an "event of default", that is to say if on or prior to May 1, 1981:

- (a) Payment of the principal of any of the Refunding Bonds shall not be made when the same shall become due and payable, either at maturity or otherwise; or
- (b) Payment of any installment of interest on any of the Refunding Bonds shall not be made within thirty (30) days after the same shall become due and payable; or
- (c) The Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
- (d) Payment of the principal of or any installment of interest on any of the Eligible Obligations held for the credit of the Redemption Fund shall not be made when the same shall become due and payable; or
- (e) The obligor on any of the Eligible Obligations held for the credit of the Redemption Fund shall for any reason be rendered or become incapable of fulfilling its obligations thereunder; or
- (f) The Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Refunding Bonds or in this Series D Refunding Resolution, 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 at the written request of the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds then outstanding.

Section 10.03. Acceleration of Maturities. Upon the happening or continuance of any event of default specified in *Section 10.02* 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 percentum (20%) in aggregate principal amount of the Refunding Bonds then outstanding shall, by notice in writing to the Board, declare the principal of all of the Refunding Bonds then outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately

due and payable, anything contained in the Refunding Bonds or in this Series D Refunding Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Refunding Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Series D Refunding Resolution, moneys shall have accumulated in the Redemption Fund sufficient to pay the principal of all matured Refunding Bonds and all arrears of interest, if any, upon all Refunding Bonds then outstanding (except the principal of any Refunding Bonds not then due by their terms and the interest accrued on such Refunding 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, agreement or provision contained in the Refunding Bonds or in this Series D Refunding Resolution (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 percentum (20%) in aggregate principal amount of the Refunding Bonds not then due by their terms and then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 10.04. Enforcement of Remedies. Upon the happening and continuance of any event of default specified in Section 10.02 of this Series D Refunding Resolution, then and in every such case, the Trustee may proceed, and upon the written request of the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding Bonds then outstanding hereunder shall proceed, to protect and enforce its rights and the rights of the Bondholders under the laws of the Commonwealth of Kentucky or under this Series D Refunding Resolution by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, 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 Series D Refunding Resolution 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, if any, due from the Board for principal, interest or otherwise under any of the provisions of this Series D Refunding Resolution, or of the Refunding Bonds, and unpaid, with interest on overdue payments of principal or interest at the rate or rates of interest specified in such Refunding Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Refunding Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Refunding Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Redemption Fund and any other moneys available for such purpose), in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 10.05. Pro Rata Application of Funds. Anything in this Series D Refunding Resolution to the contrary notwithstanding, if at any time the moneys in the Redemption Fund shall not be sufficient to pay the interest on or the principal of the Refunding Bonds as the same shall become due and payable (by acceleration of maturities under the provisions of Section 10.03 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows, and shall constitute full discharge of all legal duties and obligations of the Board in respect of the Refunding Bonds and coupons appurtenant thereto:

- (a) *If the principal of all the Refunding Bonds shall not 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 (including any interest on overdue interest) then due and payable in the order in which such installments became due and payable 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 except as to any difference in the respective rates of interest specified in the Refunding Bond; and

second: to the payment of the interest on and the principal of the Refunding Bonds.

- (b) *If the principal of all the Refunding Bonds 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 Refunding Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Refunding Bond over any other Refunding Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

- (c) *If the principal of all the Refunding Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled* under the provisions of Section 10.03 of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Refunding Bonds shall later be declared due and payable, the moneys remaining in and thereafter accruing to the Redemption Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

The provisions of paragraphs (a), (b) and (c) of this Section are in all respects subject to the provisions of *Section 10.01* of this Series D Refunding Resolution.

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 Paying Agents, 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 moneys, 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 Series D Refunding Resolution as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest 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 and all unmatured coupons, if any, appertaining to such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

Section 10.06. Effect of Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, 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 10.07. Majority of Bondholders May Control Proceedings. Anything in this Series D Refunding Resolution to the contrary notwithstanding, the holders of a majority in principal amount of the Refunding Bonds then outstanding hereunder shall have the right, subject to the provisions of *Section 9.03* of this Series D Refunding Resolution, by an instrument or concurrent instruments 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 discretion shall not be otherwise than in accordance with law and the provisions of this Series D Refunding Resolution.

Section 10.08. Restrictions Upon Actions by Individual Bondholders. No holder of any of the Refunding Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Refunding Bond or 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 instituted, and unless also the holders of not less than ten percentum (10%) in aggregate principal amount of the Refunding 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, and 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 Series D Refunding Resolution or to any other remedy hereunder; provided, however, that notwithstanding the foregoing provisions of this Section and without complying therewith, the holders of not less than twenty percentum (20%) in aggregate principal amount of the Refunding Bonds then outstanding may institute any such suit, action or proceeding in their own names for the benefit of all holders of Bonds hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Refunding 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 Series D Refunding Resolution or to enforce any right hereunder except in the manner herein provided, 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 Refunding Bonds and coupons, and that any individual right of action or other right given to one or more of such holders by law are restricted by this Series D Refunding Resolution to the rights and remedies herein provided.

Section 10.09. Actions by Trustee. All rights of action under this Series D Refunding Resolution or under any of the Refunding Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Refunding Bonds or the coupons appertaining thereto or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all of the holders of such Bonds and coupons, subject to the provisions of this Series D Refunding Resolution.

Section 10.10. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Refunding Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

Section 10.11. No Delay or Omission Construed as a Waiver. 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 Series D Refunding Resolution to the Trustee and to the holders of the Refunding Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the holders of not less than a majority in principal amount of the Refunding 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 Series D Refunding Resolution or before the completion of the enforcement of any other remedy under this Series D Refunding Resolution, 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 10.12. Notice of Default. The Trustee shall mail to the Financial Advisor, all registered owners of Bonds at their addresses as they appear on the registration books, and all other Bondholders of record, written notice of the occurrence of any event of default set forth in *Section 10.02* of this Article within thirty (30) days after the Trustee shall have notice that any such event of default shall have occurred. The Trustee shall not, however, be subject to any liability to the Financial Advisor or to any Bondholder by reason of its failure to mail any such Notice.

ARTICLE XI

Defeasance

Section 11.01. Release of Trust Duties When Refunding Occurs. At such time as the funds in the Redemption Fund have been utilized for the redemption, on May 1, 1981, of the Bonds to be Refunded, and if at said date, the Refunding Bonds are currently paid as to interest thereon, the said Refunding Bonds shall become entitled to be paid ratably from the Revenues of the Project, and at such time the right, title and interest of the Trustee created by this Series D Refunding Resolution shall thereupon cease, determine, and become void, and the Trustee in such case, on demand of the Board, shall release the trusts created by this Series D Refunding Resolution and shall execute such documents to evidence such release as may be reasonably required by the Board. Provided, however, that beginning on May 1, 1981, the Trustee shall, in respect of the Refunding Bonds, exercise all of the trust powers and duties which are set forth in the Resolution, the same as if said Refunding Bonds had been authorized and issued initially by appropriate Series Resolution.

ARTICLE XII

Miscellaneous Provisions

Section 12.01. Successors in Interest; Board. In the event of the dissolution of the Board, all of the covenants, stipulations, obligations and agreements contained in this Series D Refunding Resolution by or in behalf of or for the benefit of the Board shall bind or inure to the benefit of the successor or successors of the Board from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Board" as used in this Series D Refunding Resolution shall include such successor or successors.

Section 12.02. Successors in Interest; Paying Agents. Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of any Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Series D Refunding Resolution. If the position of any Paying Agent shall become vacant for any reason, the Board shall, within thirty (30) days thereafter, appoint a bank or trust company as such Paying Agent to fill such vacancy; provided, however, that if the Board shall fail to appoint such Paying Agent within such period, the Trustee shall make such appointment.

Section 12.03. Parties and Bondholders Alone Have Rights. Nothing in this Series D Refunding Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Refunding Bonds issued under and secured by this Series D Refunding Resolution any right, remedy or claim, legal or equitable, under or by reason of this Series D Refunding Resolution or any provision hereof, this Series D Refunding Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the holders from time to time of the Refunding Bonds issued hereunder.

Section 12.04. Effect of Partial Invalidity. In case any one or more of the provisions of this Series D Refunding Resolution or of the Bonds or coupons issued hereunder, shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Series D Refunding Resolution or of said Refunding

Bonds or coupons, but this Series D Refunding Resolution and said Refunding Bonds and coupons shall be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Refunding Bonds or in this Series D Refunding Resolution shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Board to the full extent permitted by law.

Section 12.05. Effect of Covenants. All covenants, stipulations, obligations and agreements of the Board contained in this Series D Refunding Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Board to the full extent authorized by the Enabling Act and permitted by the Constitution of Kentucky. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Board in his individual capacity, and neither the members of the Board nor any officer thereof executing the Bonds shall be liable personally on the Refunding Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, agent or employee of the Board shall incur any personal liability in acting or proceeding or in not acting or not proceeding in good faith, reasonably and in accordance with the terms of this Series D Refunding Resolution and the Enabling Act. This Series D Refunding Resolution is executed with the intent that the laws of the Commonwealth of Kentucky shall govern its construction.

Section 12.06. Headings Not Part of Series D Refunding Resolution. Any headings preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series D Refunding Resolution, nor shall they affect its meaning, construction or effect.

Section 12.07. When Effective. This Series D Refunding Resolution shall be in full force and effect from and after its adoption.

Adopted the 6th day of March, 1973.

(SEAL)

ATTEST:

(Asst.) Secretary

Chairman or Vice-Chairman
Executive Committee
Board of Trustees
University of Kentucky

CERTIFICATION

The undersigned, (Asst.) Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, and also (Asst.) Secretary of the Executive Committee of said Board, hereby certifies that the foregoing is a true and complete copy of a Resolution duly adopted by the Executive Committee of said Board of Trustees at a meeting held on the ____ day of March, 1973, and that the same is in full force and effect.

Witness my signature and the seal of said Board, this 6th day of March, 1973.

(Asst.) Secretary
Board of Trustees
University of Kentucky
and of the
Executive Committee of said Board

NOTICE OF SALE OF REFUNDING BONDS

\$ 31,000,000.00

UNIVERSITY OF KENTUCKY
Lexington, Kentucky

CONSOLIDATED EDUCATIONAL BUILDINGS
REFUNDING REVENUE BONDS, SERIES D
Dated March 1, 1973

The Executive Committee of the Board of Trustees of University of Kentucky (the "Board") hereby gives public notice that until the 6th day of March, 1973, at the hour of 10:00 A.M., Eastern Standard Time, it will receive in the office of the Board, in the Administration Building, in Lexington, Kentucky, sealed competitive bids for the purchase of its \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973 (the "Bonds"), being negotiable coupon Bonds in the denomination of \$5,000.00 each, registrable as to principal only, and maturing as to principal serially in various amounts on May 1 in each of the years 1982 to 1999, inclusive; provided, however, that the Bonds maturing on May 1, 1984, and thereafter, will be subject to prior redemption at the option of the Board of Trustees on any interest payment date (May 1 and November 1),

on and after May 1, 1983. The maturity schedule, terms of redemption, security provisions, information respecting the Trustee, and other data are set forth in the Official Statement, and Bond Resolution, to which reference is hereinafter made.

The Bonds are to be issued to refund on May 1, 1981, at a lower interest cost, all "Consolidated Educational Buildings Revenue Bonds, Series D", dated May 1, 1971, which are stated to mature on and after May 1, 1982. The Bonds will be payable (a) as to interest from date to and including May 1, 1981, solely and only from the yield produced by the investment of Bond proceeds in "Eligible Obligations" as described in the Official Statement and Bond Resolution; and (b) as to principal, and as to interest maturing after May 1, 1981, solely and only from a pledge of a fixed amount of the Revenues of the Consolidated Educational Buildings Project, as described in the Official Statement and Bond Resolution.

All bids shall be for the purchase of not less than the total \$31,000,000.00 of Bonds at a price in cash of not less than 103% of the principal amount thereof (being not less than \$ 31,930,000.00), together with accrued interest from date to delivery date; such interest to be at such rate or rates

specified in the successful bid, in multiples of 1/8 or 1/10 of 1% per annum, subject to the following conditions: (a) that not more than one coupon rate shall be specified for Bonds maturing on any one maturity date; (b) all interest coupon rates stipulated shall be in ascending order and no later-maturing coupon shall bear interest at a rate lower than any earlier-maturing coupon; (c) the differential between the highest and lowest coupon rates stipulated in any bid may not exceed one percentum (1%); (d) no bid shall propose that interest becoming due with respect to any Bond at any semiannual interest payment date be represented by more than one coupon; (e) no bid shall propose that any Bond shall bear interest from its date to its maturity otherwise than at a single rate; (f) no bid shall propose that any interest coupons be cancelled; and (g) the total interest cost to the University over the life of the issue of Bonds, in terms of dollars (total of interest coupons according to the bid, less premium bid) shall not exceed \$35,603,782.00. The successful bidder shall be required to pay for the Bond issue and accrued interest thereon to date of delivery, in Federal Reserve Funds,

Purchase proposals shall be submitted on the "Official Bid Form", and each bid must be accompanied by a certified or bank cashier's good faith check payable to the University of Kentucky, in the sum of \$310,000.00, such check to be forfeited as agreed liquidated damages in the event of breach of the purchase contract by the lowest and best bidder. The checks of unsuccessful bidders will be returned following the award of the Bonds. Award of the Bonds will be upon the basis of the interest cost most favorable to the University; the same to be

determined by computing the aggregate amount of interest from the date of the Bonds to the maturity thereof as set forth in each bid, less any premium specified in any bid over and above the face amount of the Bonds.

The Board of Trustees will provide at delivery, without expense to the purchaser, the prepared and executed definitive Bonds, the customary closing documents, including the No-Litigation Certificate, and the unqualified approving legal opinion of Grafton, Ferguson, Fleischer & Harper, Municipal Bond Attorneys, Louisville, Kentucky. Delivery of the Bonds will be made at a bank or trust company in the Borough of Manhattan, City and State of New York, at the expense of the Board, and delivery is guaranteed within thirty (30) days following award. In the opinion of Bond Counsel, the receipt of interest on the Bonds will be exempt from Federal and Kentucky income taxation; and the Bonds will be exempt from all ad valorem taxation in Kentucky. The right to reject bids is expressly reserved.

Copies of the Official Statement, containing as an appendix thereto the Bond Resolution, and of the Official Bid Form may be obtained from the Vice-President for Business Affairs of the University of Kentucky, at Lexington, Kentucky 40506; or Dupree & Company, Inc., Investment Bankers, Security Trust

Building, Lexington, Kentucky 40507.

LUCILE T. BLAZER
Secretary
Board of Trustees
University of Kentucky

The motion for adoption of the foregoing Resolution was seconded by Trustee Eugene Goss. After discussion, the Chairman put the motion to vote, and the following vote ensued.

Voting "Aye" for the Resolution: Mrs. Lucile T. Blazer, Mr. Richard Cooper, Mr. Thomas Bell, Mr. George Griffin, Mr. Eugene Goss, and Mr. Albert G. Clay.

Voting "Nay" against the Resolution: None.

Whereupon, the Chairman declared the Resolution to have been duly adopted, and stated that same was in full force and effect.

The Chairman then declared that all preliminary proceedings having reference to the public, competitive sale of \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, had been concluded, and that it would be in order at this time to consider bids received for the purchasing of said Refunding Bonds. Mr. Forgy, the Vice President for Business Affairs and Treasurer of the University, thereupon presented to the Chairman all sealed bids duly received prior to 10:00 o'clock A. M., EST in response to the public advertisements made by the Financial Advisor and Bond Counsel, and the solicitations made by the Financial Advisor through the medium of the Official Statement.

Thereupon, the Chairman publicly opened and publicly read each of the sealed bids so tendered, and it was ordered that the essential details

thereof in terms of name of bidder, price offered, and interest rates stipulated be recorded in the Minutes, which is done, as follows:

Bid of:

Blyth Eastman Dillon & Co., Incorporated, and Associates

Bid Price: \$31,930,034.95

Interest Rate: 5.90% (All Bonds)
1982 - 1999, inclusive

(No other bids received)

The bid was examined for matters relating to conformity with the terms and conditions of the public offer; and the computations therein were verified to the satisfaction of the Executive Committee. The Financial Advisor made a recommendation to the Executive Committee following the tabulation of all bids as to the award of the Bonds to the lowest and best bidder, and thereupon Trustee George Griffin introduced, caused to be read in full, and moved immediate adoption of the following Resolution:

A RESOLUTION AWARDDING \$31,000,000.00 "UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D", DATED MARCH 1, 1973, TO THE LOWEST AND BEST BIDDER FOR SAID BONDS; SPECIFYING THE INTEREST RATE OR RATES OF SAID REFUNDING BONDS, AND DIRECTING THE AUTHENTICATION AND DELIVERY OF SAID REFUNDING BONDS TO OR UPON THE ORDER OF THE PURCHASER THEREOF UPON PAYMENT OF THE PURCHASE PRICE STIPULATED HEREIN.

WHEREAS, pursuant to the public, competitive bidding procedures duly carried out and projected in accordance with the provisions of Kentucky law, and pursuant to the requirements of a certain Bond authorizing Resolution heretofore adopted by this Executive Committee, sealed, competitive bids have been received for the purchasing of \$31,000,000.00 principal amount of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973 and, upon tabulation of said bids, it has been determined that said Bonds should be awarded to the lowest and best bidder and interest coupon rates stipulated with respect to said Bond issue.

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

Section 1. The bid proposal of Blyth Eastman Dillon & Co. , Incorporated, and Associates, for the purchase of \$31,000,000.00 "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, offering to purchase said Bonds at a price of Thirty-One Million Nine Hundred Thirty Thousand Thirty-Four and ninety-five hundredths Dollars (\$31,930,034.95), at interest rates hereinafter stipulated, is hereby accepted. The good faith deposit of the successful bidder shall be held and treated as provided in the Official Bid Form and in the Notice of Sale of Refunding Bonds.

Section 2. Said "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, shall bear interest at coupon rates, as follows:

All Bonds maturing on May 1 in each of the years 1982 to 1999, inclusive	<u>5.90 %</u>
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Section 3. The Financial Advisor and Bond Counsel are hereby authorized and directed to cause definitive Bonds to be prepared as expeditiously as possible in the circumstances for delivery to the Bond purchaser described in this Resolution.

Section 4. First Security National Bank and Trust Company of Lexington, Lexington, Kentucky, Trustee in connection with said Bonds dated March 1, 1973, is hereby directed and authorized to authenticate and deliver said Bonds to or upon the order of the Bond purchaser in accordance with the provisions of Section 4.01(b) of the Bond authorizing Resolution in respect of said Bonds dated March 1, 1973. Provided, however, that at or prior to the delivery of said Bonds dated March 1, 1973, said Trustee shall receive from the purchaser of said Bonds the total bid price stipulated, plus accrued interest on said Bonds from March 1, 1973 to the date of delivery and payment, payable in Federal Reserve Funds.

Section 5. The members of the Board of Trustees, the officers and employees of the Board, and of the University of Kentucky, and the officers and agents of the Trustee designated

in connection with said Refunding Bonds dated March 1, 1973 are hereby authorized and directed to do all acts and things necessary to carry into effect the provisions of this Resolution.

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

ADOPTED March 6, 1973.

Chairman
Executive Committee of the Board
of Trustees
University of Kentucky

(SEAL)

ATTEST:

Secretary

CERTIFICATION

I, the undersigned, Ex Officio Secretary of the Executive Committee of the Board of Trustees of the University of Kentucky, do hereby certify that the foregoing is a true copy of a Resolution duly adopted by said Executive Committee at a duly convened meeting of said Executive Committee, held on

March 6, 1973, a quorum being present for the transaction of business; that the same has been duly recorded in the official Minute Book of said Board of Trustees; and that the same is in full force and effect as of this date.

WITNESS my hand and the Seal of said Board this 6th day of March, 1973.

Secretary
Executive Committee
Board of Trustees
University of Kentucky

(SEAL)

The motion for adoption of the foregoing Resolution was seconded by Trustee Richard Cooper. After discussion, the Chairman put the motion to vote, and the following vote ensued.

Voting "Aye" for the Resolution: Mrs. Lucile T. Blazer, Mr. Richard Cooper, Mr. Thomas Bell, Mr. George Griffin, Mr. Eugene Goss, and Mr. Albert G. Clay.

Voting "Nay" against the Resolution: None.

Whereupon, the Chairman declared the Resolution to have been duly adopted, and stated that same was in full force and effect.

The Chairman then advised the members of the Executive Committee that in light of the award of the Refunding Bonds to the lowest and best bidder, it would be appropriate for the Executive Committee to adopt a Resolution authorizing and directing the Trustee to purchase certain identified Eligible Obligations in order to effectuate the Refunding transaction.

Whereupon, Trustee George Griffin introduced, caused to be read, and moved adoption of the following Resolution:

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AUTHORIZING AND DIRECTING THE TRUSTEE TO PURCHASE ELIGIBLE OBLIGATIONS IN CONNECTION WITH "UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES D", DATED MARCH 1, 1973.

THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF KENTUCKY HEREBY RESOLVES, AS FOLLOWS:

Section 1. It is acknowledged and recognized that this Executive Committee has heretofore adopted a Resolution authorizing the issuance, sale and delivery of \$31,000,000.00 principal amount of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973, and that said Bond authorizing Resolution requires the acquisition by the Trustee of certain Eligible Obligations in order that the Refunding transaction therein contemplated may be properly effectuated. Accordingly, First Security National Bank and Trust Company of Lexington, Lexington, Kentucky, Trustee in connection with said Bonds dated March 1, 1973, is hereby authorized and directed to purchase from the proceeds of said Bonds dated March 1, 1973 certain Eligible Obligations, particularly described, as follows:

Section 2. Said Eligible Obligations shall be purchased by the Trustee and held by the Trustee solely as Trustee in connection with said Bonds dated March 1, 1973, and at all times the yield therefrom shall be held, treated and applied, and the principal thereof shall be held, treated and applied, strictly and only in accordance with the terms, conditions and restrictions contained in said Resolution authorizing the issuance of said Bonds dated March 1, 1973.

Section 3. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED March 6, 1973.

Chairman
Executive Committee of the Board
of Trustees
University of Kentucky

(SEAL)

ATTEST:

Secretary

CERTIFICATION

I, the undersigned, Ex Officio Secretary of the Executive

Committee of the Board of Trustees of the University of Kentucky, do hereby certify that the foregoing is a true copy of a Resolution duly adopted by said Executive Committee at a duly convened meeting of said Executive Committee, held on March 6, 1973, a quorum being present for the transaction of business; that the same has been duly recorded in the official Minute Book of said Board of Trustees; and that the same is in full force and effect as of this date.

WITNESS my hand and the Seal of said Board this 6th day of March, 1973.

Secretary
Executive Committee
Board of Trustees
University of Kentucky

(SEAL)

The motion for adoption of the foregoing Resolution was seconded by Trustee Richard Cooper. After discussion, the Chairman put the motion to vote, and the following vote ensued.

Voting "Aye" for the Resolution: Mrs. Lucile T. Blazer, Mr. Richard Cooper, Mr. Thomas Bell, Mr. George Griffin, Mr. Eugene Goss, and Mr. Albert G. Clay.

Voting "Nay" against the Resolution: None.

Whereupon, the Chairman declared the Resolution to have been duly adopted, and stated that same was in full force and effect.

Mr. Forgy then brought to the attention of the Executive Committee the need to provide financing for the construction of a Biological Sciences Building and a Family Practice Facilities Building, the completion of the construction of a Patient Care Facility Addition and, perhaps, the construction of a Fine Arts Building at a total cost of approximately \$10,055,000. The University presently has available \$3,805,000 to apply toward the project and could expect \$1,500,000 from federal grants. It would, however, be necessary for the Board to authorize the issuance and sale of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series E, in the amount of \$4,750,000 in order to provide the balance of the financing required.

Following discussion, the consensus of the group was that the necessary steps should be taken to authorize the sale of Series E Bonds in the amount of \$4,750,000. On motion by Mr. Goss, seconded by Mr. Cooper and carried the following resolution was adopted:

A RESOLUTION of the Executive Committee of the Board of Trustees of the University of Kentucky authorizing steps to be taken in connection with the authorization and sale of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series E.

WHEREAS, it is considered desirable and necessary that University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series E, be issued to finance the construction of a Biological Sciences Building and a Family Practice Facilities Building and to complete the construction of a Patient Care Facility Addition and perhaps to construct a Fine Arts Building, together with necessary appurtenances, and

WHEREAS, it is desired to formally authorize and sell such bonds at a regular meeting of the Board of Trustees, but that prior to such time the exact provisions of a resolution authorizing such bonds be determined for formal presentation to such Board of Trustees and that a notice of sale of such bonds be advertised in The Bond Buyer, New York, New York, and in The Courier-Journal, Louisville, Kentucky, in accordance with legal requirements,

NOW, THEREFORE, BE IT RESOLVED BY THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AS FOLLOWS:

1. That the appropriate representatives of the University of Kentucky, the Fiscal Agent for such institution in connection with the issuance of such Series E bonds and Bond Counsel in connection therewith be and are hereby authorized to prepare the exact form of a bond resolution authorizing such Series E bonds after it has been determined the exact amount

of such bonds which are to be issued to finance the specifically described project which is to be constructed with the proceeds of such bonds and to prepare all other legal papers and information which may be necessary to be disseminated among prospective purchasers of such bonds.

2. That the Chairman and/or Vice Chairman and Secretary of the Board of Trustees are hereby authorized to cause to be published in The Bond Buyer and The Courier-Journal a notice of bond sale with reference to the sale of such bonds, in order to meet all legal requirements, such notice of bond sale and all other instruments to be prepared in the usual and customary forms which are used in connection with such matters.

3. That such form of bond resolution and/or other legal instrument or instruments, if any, which are necessary to be presented to the Board of Trustees for formal adoption shall be presented to such Board of Trustees prior to the opening of the bids received in connection with the sale of such bonds. However, there shall be available to prospective bidders the form of such resolution to authorize such bonds and other information with reference to such bonds a sufficient time in advance of the time advertised for the opening of bids on the bonds as to enable prospective bidders to make bids with reference to such bonds.

4. That the appropriate parties are hereby authorized to take any and all other action which may be necessary in order to carry out the intent of the foregoing.

This resolution shall take effect immediately upon its adoption.

Certificate

I, Lucile T. Blazer, the Secretary of the Board of Trustees of the University of Kentucky and Secretary of the Executive Committee of such Board of Trustees, certify that the foregoing is a true copy of a resolution which is shown in the minutes of such Executive Committee for its meeting held on March 6, 1973, as having been presented to such meeting and having been adopted on such date. I further certify that the meeting of such Executive Committee which adopted such resolution had been duly called, was duly held, that a quorum of such Executive Committee was present throughout the time of such meeting and at the time such resolution was adopted, that all of the members of the Executive Committee present at such meeting voted in favor of the adoption of such resolution and that same is now in full force and effect.

Dated this March _____, 1973.

(Seal)

Lucile T. Blazer, Secretary of the Board of Trustees and Secretary of the Executive Committee of the Board of Trustees of the University of Kentucky.

It appearing that there was no further business to come before the meeting, on motion and vote duly made, seconded and unanimously adopted, the meeting was duly adjourned.

Respectfully submitted,

LUCILE T. BLAZER
Secretary
Board of Trustees

CERTIFICATION

I, the undersigned, Lucile T. Blazer, Secretary of the Board of Trustees of the University of Kentucky, and ex officio Secretary of the Executive Committee thereof, hereby certify that the foregoing is a true copy of all those portions of the Minutes of a duly convened meeting of the Executive Committee of said Board of Trustees, held on March 6, 1973, as are concerned with the authorization, issuance, sale and delivery of said University's \$31,000,000.00 "Consolidated Educational Buildings Refunding Revenue Bonds, Series D", dated March 1, 1973; award of said Bonds to the lowest and best bidder, and establishment of interest coupon rates to be made applicable thereto; approval of certain matters in connection with the sale of said Refunding Bonds; and the taking of certain actions for the implementation of said Refunding transaction; all as therein specifically recited.

I do hereby further certify that each and every one of the Resolutions

enumerated and set forth in said meeting were duly adopted at said meeting, and that the same have been incorporated in the official records of the Board of Trustees.

WITNESS my hand and the Seal of said Board this 6th day of March, 1973.

LUCILE T. BLAZER
Secretary, Board of Trustees
University of Kentucky and
Ex officio Secretary of the
Executive Committee of said Board