

Minutes of the Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, November 7, 1952.

The Executive Committee of the University of Kentucky met in the President's Office at 10:45 a. m. , Friday, November 7, 1952. The following members were present: Guy A. Huguelet, Chairman; Harper Gatton and H. D. Palmore. Absent: John C. Everett and R. P. Hobson. President H. L. Donovan and Secretary Frank D. Peterson met with the Committee.

A. Minutes Approved.

The minutes of the meeting of the Executive Committee of July 18, 1952, were approved as published.

B. Report of the Comptroller.

The Comptroller submitted financial report of University funds as of September 30, 1952. The report showed income realized during the period amounted to \$3, 556, 573. 15, which is 48. 15% of the budget estimate of \$ 7, 386, 100. 23. The general expenditures and encumbrances for the period totalled \$ 1, 770, 731. 86, which is 23. 89% of the departmental appropriations approved in the amount of \$ 7, 412, 037. 70. The balance sheet and supporting statements of funds and budgetary operations were examined and explained.

Upon motion duly made, seconded and carried, the report of the Comptroller was authorized received and filed.

C. Budget Changes.

President Donovan submitted a list of changes in the University budget as evidenced by letter dated October 2, showing a total decrease in appropriations of \$ 7, 476. 18, and a total increase in budget appropriations of \$ 695. 00, making a net decrease in the University budget of \$ 6, 781. 18.

He also submitted a list of changes in the University budget as evidenced by letter of November 3, 1952, showing total decrease in budget appropriations of \$ 1, 678. 35, and total increase in budget appropriations of \$ 6, 394. 82, making a net increase of \$ 4, 716. 47.

President Donovan recommended that the list of changes in the University budget be approved, and the reporting letters filed with the Secretary.

Upon motion duly made, seconded and carried, the recommendation of the President was concurred in, and the Comptroller was authorized to make the necessary budget adjustments.

D. University Purchases Approved.

President Donovan read the following letter from the Comptroller reporting a list of purchases made for the University:

October 7, 1952

Dr. H. L. Donovan, President
University of Kentucky

My dear President Donovan:

I submit a list of state requisitions, advices of emergency purchases, special purchase orders and departmental purchase orders which have been made by the purchasing division from July 1, 1952, through September 30, 1952, yet to be approved by the Board of Trustees. The listing below gives the numbers of the documents requesting the purchase or actually issued as purchase orders, which documents are made a part of this record and are held in the Office of the Comptroller subject to inspection. The purchases have been made on properly drawn documents at the request of the various departments and have been charged against available funds.

State Requisitions numbered	1 through 265
Emergencies	1 through 99
Library D Orders	—
University D Orders	5411 through 5460
Special Orders	1 through 1150

The foregoing record of purchases is respectfully submitted with the request that they be approved by the Board of Trustees, thereby ratifying the action of the Comptroller in making the purchases.

Respectfully submitted,

(Signed) Frank D. Peterson
Comptroller

President Donovan recommended that the purchases referred to in the above communication be approved, and the action of the Comptroller ratified.

Upon motion duly made, seconded and carried,

State Requisitions numbered	1 through 265
Emergencies	1 through 99
Library D Orders	—
University D Orders	5411 through 5460
Special Orders	1 through 1150

were approved, and the action of the Comptroller in making the purchases ratified.

E. Comptroller Authorized to Sell Generating Unit.

The Comptroller reported that the University had obtained a generating unit on Government surplus. The unit was assigned to the College of Engineering. The College of Engineering now advises that the unit is no longer needed for the

purpose for which it was obtained, and the College would like to dispose of the generating unit and apply the money obtained to the purchase of several needed pieces of equipment for the foundry and metallurgical laboratory. The Comptroller reported that the amount of money involved ranged from \$200.00 to \$300.00. He recommended that authority be given to dispose of the unit.

Upon motion duly made, seconded and carried, the Comptroller was authorized to sell by competitive bidding the generating unit, and apply the money to the purchase of additional equipment needed in the foundry and metallurgical laboratory.

F. Purchase of Steinway Piano for Memorial Hall Authorized.

President Donovan reported that the pipe organ purchased for installation in Memorial Hall had been completed, properly inspected, and accepted. He stated that authorities on pipe organs rated the new installation very highly, and expressed complete satisfaction with the instrument. He reported further that the piano presently located in Memorial Hall was inadequate, obsolete, and should be replaced. He stated that the Comptroller had secured a quotation on Steinway Concert Grand Piano, Model "D", Ebony Finish, with bench and cover, less Federal excise tax and University discount. He recommended that the piano be authorized purchased and placed in Memorial Hall, and the present piano be removed to the Music department, overhauled, and used in the regular music teaching program.

Members of the Committee examined the quotation, and upon motion duly made, seconded and carried, authorized the Comptroller to purchase Steinway Concert Grand Piano, Model "D", Ebony Finish, with bench and cover.

G. Payment for Fellowships, Southern Regional Training Program, Authorized.

President Donovan reviewed for the Executive Committee the fellowship program of the Southern Regional Training Program. The Program was established for the purpose of training students in public administration in state and local government in the South. It consists of fellowships in the amount of approximately \$1,000 per academic year. There are three institutions participating: Alabama, Tennessee, and Kentucky. Students receiving these fellowships attend Alabama for the fall quarter, Tennessee for the winter quarter, and Kentucky for the spring quarter beginning in March. All of these students selected for participation in the Program have served an internship in a state or local government agency in the South for on-the-job training. Six students have been selected to participate in the Program for the academic year 1952-53.

President Donovan submitted invoice from Alabama, acting for and on behalf of the Southern Regional Training Program, in the amount of \$625.00, which represents the University's one-third cost during the current fiscal quarter. He recalled that the 1952 General Assembly appropriated the sum of \$2500.00 to the University of Kentucky, to be used for participation in this program. He recommended that the current invoice and additional payments for the academic year, not to exceed \$2500.00, be authorized.

Upon motion duly made, seconded and carried, the Comptroller was authorized to pay the invoice in the amount of \$ 625. 00, and the remaining installments when requested by authorities of the Southern Regional Training program.

H. Purchase of Dairy Products Equipment Approved.

The Comptroller reported that the refrigerating equipment in the Dairy Products Laboratory, after 22 years' use, had worn out. He stated that he had had three engineers to examine the facilities and all were of the opinion that the refrigerating plant should be abandoned. He reported a conference with Doctor Garrigus, Doctor Seath, Doctor Morrison, Mr. Farris, Mr. Howard and others, the results of which he had reported to President Donovan.

President Donovan reported a conference with Dean Welch and recommended the purchase of modern equipment, which he reported at an estimated cost of \$ 25,000. 00, on condition that 40% of the cost of putting the Dairy Products Laboratory in first-class condition be repaid out of the income of the laboratories over a period of years. A discussion ensued concerning the desirability of having a pilot milk processing equipment plant, cheese and ice cream laboratories, in connection with the instructional program of the College of Agriculture and Home Economics in dairying.

After thorough discussion, upon motion duly made, seconded and carried, appropriation of approximately \$ 25,000 was authorized for putting the Dairy Products Laboratory in first-class condition, and the Comptroller was directed to transfer from Dairy Products funds from time to time, such amounts as might be available from income of the laboratories, to repay \$ 10,000 of the original outlay.

I. Agreement with Mayor of the City of Louisville.

President Donovan submitted agreement with the Mayor of the City of Louisville proposing outside consulting work by Professor James W. Martin. Dean Cecil C. Carpenter recommended that the agreement be approved under certain conditions.

President Donovan called attention that the agreement provides for compensation to be paid to the University and not to Professor Martin personally. He suggested that the income be considered a miscellaneous income of the University rather than depositing same to the credit of the College of Commerce restricted fund. The Committee expressed sympathy with the contract but expressed some fear of criticism of the University and the Bureau of Business Research if too much time should be devoted to the City of Louisville. It was conceivable that similar services might be requested by other cities which would require more time than the Bureau should devote to such work, thereby causing neglect of supervision of graduate student research work and the regular research projects carried on in the Bureau.

Upon motion duly made, seconded and carried, the contract was authorized approved when rewritten to provide:

- a. That the payment made to the University for Professor Martin's service be deposited as Miscellaneous Income to the University and not credited to account 3048.
- b. That the amount of time which Dr. Martin is permitted to devote to the study related to urban redevelopment and economic planning and other matters requested by the Mayor shall be approved in each instance by the Dean of the College of Commerce.
- c. That the amount of time and the dates the work is done shall be determined in conference by President Donovan, Dean Carpenter, and Professor Martin.

J. Lyons & Carnahan Contract.

President Donovan explained that J. W. Carnahan, president of Lyons & Carnahan, educational publishers, Chicago, Illinois, desired editorial work done by the University. He stated that Dr. Thomas D. Clark, head of the History department, had communicated with Mr. Carnahan, and that Mr. Carnahan had also written him. President Donovan stated that Doctor Clark would be assigned the editorial work and was quite willing to perform the service. He submitted a letter which he had written to Mr. Carnahan, outlining the conditions of the Agreement, which Mr. J. W. Carnahan had approved and accepted. The letter follows:

September 29, 1952

Mr. J. W. Carnahan
Lyons & Carnahan
2500 Prairie Avenue
Chicago 16, Illinois

My dear Mr. Carnahan:

I have your letter of September 17, and the University of Kentucky will be glad to furnish the editing services of its staff, and will assign Professor Thomas D. Clark to this particular project. It is our understanding that we will receive a payment of \$3000 for each of four years beginning with 1952 and the three years following. In turn we will use this sum to subsidize the publication of the Southern Travel Series which we now have in process of completion. The Southern Travel Series is an invaluable reference study which will yield rich scholarly dividends to this institution.

The University of Oklahoma is putting in no less than \$13,000 to subsidize the Southern Travel Project, and the Rockefeller Foundation put up \$10,000 to subsidize the research leading to its preparation, so this is an undertaking which has received solid support. When the study is finished there will be four, if not five, large volumes.

In order for the University of Kentucky to enter into this agreement we should have a contract with you for the four year period. We will guarantee to have the editing which you require done in proper order from our staff. In the meantime we can go ahead with the publication of the

Travel Series. Otherwise we could not embark upon the publication of the travel studies until four years have elapsed and this would be too long a delay. The payments can be made annually at the rate of \$3,000, but we would want a firm assurance at the outset from you and your company that we may go ahead with certainty on our own publication program. As you know, this agreement will have to be approved by the Board of Trustees, and will become a part of the official record of that body. These funds are to be used in financing a public project from which no individual will benefit financially.

We appreciate your kindness in co-operating with us in supporting the University in one of its scholarly ventures. If the conditions outlined above and the payment of \$3,000 annually for a period of four years is correct and acceptable to you and your company, you may keep one copy of this letter and sign the other as accepting the terms and conditions in the space provided below and return for our files.

Cordially yours,

(Signed) H. L. Donovan
President

Approved and signed on this 6th day of October, 1952, by
(Signed) J. W. Carnahan.

President Donovan recommended that the Agreement be approved by the Executive Committee.

Upon motion duly made, seconded and carried, the recommendation of the President was concurred in, and the contract authorized.

K. Report of the Auditor of Public Accounts.

President Donovan reported that the Auditor of Public Accounts had made his annual audit and inspection report of the accounts and records of the Comptroller of the University for the fiscal year ending June 30, 1952. He reported that the examination was made by Warren M. Van Hoose, Certified Public Accountant of the office of the Auditor of Public Accounts, under the supervision of T. Herbert Tinsley. The examination revealed that all accounts have been consistently maintained according to standard principles of accounting for such institutions of higher education, and, in the opinion of the auditor, were found to be true and accurate.

President Donovan stated that the auditor had made very fine comments and urged members of the Board of Trustees to read the report as it became available.

Upon motion duly made, seconded and carried, the report was received and ordered filed.

L. Foreign Student Scholarships.

President Donovan submitted a report from Professor Paul K. Whitaker, Chairman of the Foreign Student Committee, reporting that free-fee scholarships had been awarded to Mr. John S. Y. Chui and Miss Turkan Kolayli and neither of these students was able to enroll in the University during the current semester. Professor Whitaker reported that the Committee unanimously recommended award of free-fee scholarships to Mr. Vu, Ich Tam and Mr. Chandra Amarasingham. Mr. Whitaker, Acting Foreign Students Adviser, also recommended that free-fee scholarship be granted to Mr. Karlis Rudzitis.

President Donovan recommended that the Committee's request be approved, and on motion duly made, seconded and carried, free-fee scholarships were awarded to Mr. Vu, Ich Tam, Mr. Chandra Amarasingham, and Mr. Karlis Rudzitis.

M. Gifts.

From: Distillers' Feed Research Council,
Inc. -- \$ 750. 00.

President Donovan reported receipt of \$ 750. 00, given to the University by the Distillers' Feed Research Council, Inc., to be used in support of a graduate assistant for research being conducted by the Experiment Station on the use of distillers' dry solubles in the calf ration. He explained that this is the second year that the Council has assisted the Experiment Station in financing this project, and recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$ 750. 00, given to the University by the Distillers' Feed Research Council, Inc., was ordered accepted, and President Donovan was requested to thank the Council for its continued interest and support.

From: Grayson Foundation, Inc. -- \$ 25, 000.

President Donovan presented check for \$ 25, 000 from Grayson Foundation, Inc., and stated that these funds were in support of the Experiment Station's research on equine infectious abortion. He stated that the substantial support given by the Grayson Foundation for the past five years had materially aided in forwarding the studies on equine infectious abortion, and had been very helpful to the horse breeders of Kentucky and throughout the country.

From: Herschel Weil, Inc. -- \$ 750. 00.

President Donovan reported receipt of check for \$ 750. 00 from Herschel Weil, Inc., which Mr. Weil wished to be used as a grant-in-aid for sheep breeding research, the work to be covered under the outline for the Experiment Station's project, "Improving conception in Kentucky purebred and in commercial ewes." He recommended that the gift be accepted and the project completed.

Upon motion duly made, seconded and carried, the gift of \$ 750.00 from Hershel Weil, Inc., was ordered accepted and used for the purpose stated above, and President Donovan was requested to thank Mr. Weil for his donation. The project was authorized.

From: Mason County Farm Bureau -- \$ 150.00

President Donovan presented check for \$ 150.00 made payable to the Kentucky Research Foundation by the Mason County Farm Bureau, and stated that this check covered renewal of the Bureau's scholarship for the 1952-53 school year. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the check for \$ 150.00 from the Mason County Farm Bureau was ordered accepted, and President Donovan was requested to write a letter of appreciation to the donor.

From: Anonymous Donor -- Cash Gift.

President Donovan reported receipt of a cash gift from a friend of the University who wishes to remain anonymous. He stated that this gift could be used by the University Library to print one of the Library's bulletins, and recommended that it be accepted.

Upon motion duly made, seconded and carried, the gift of approximately \$ 100.00 was ordered accepted, and the President was asked to convey to the donor the appreciation of the Executive Committee and the University.

From: Mr. V. V. Cooke, VelVa Haven Farms, Prospect, Ky. -- Station Wagon.

President Donovan reported that the Animal Husbandry Department of the College of Agriculture and Home Economics had received from Mr. V. V. Cooke, VelVa Haven Farms, Prospect, Ky., a new 1952 Chevrolet station wagon, to be used primarily in the livestock judging program. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the gift of a 1952 Chevrolet station wagon from Mr. V. V. Cooke, VelVa Haven Farms, Prospect, Ky., was ordered accepted, and the President was requested to thank Mr. Cooke for his generosity.

From: Mr. James Hackworth and Mr. Homer McAllister, Shelbyville, Ky. -- \$ 25.00.

President Donovan reported that he was in receipt of a check for \$ 25.00 from Mr. James Hackworth and Mr. Homer McAllister, Shelbyville, Ky., which they have given the University in memory of Mr. John E. Brown, who recently died at his home in Shelbyville, Ky. The President recalled that the degree of Doctor of Laws had been conferred upon Mr. Brown by the University at the June, 1952, Commencement, and stated that Mr. Brown had long been regarded as one of the distinguished graduates and loyal friends of the University. He recommended that the gift be accepted, and used on behalf of some worthy student from Shelby County, Ky.

Upon motion duly made, seconded and carried, the Committee concurred in the recommendation of the President.

From: Mr. and Mrs. S. Headley Shouse,
Lexington, Ky. — Scholarship in the
Amount of \$ 243. 00.

President Donovan reported that he was in receipt of a letter from Mr. S. Headley Shouse, Lexington, Ky., in which Mr. Shouse stated that he and Mrs. Shouse would like to set up a scholarship for some worthy student of the University in memory of their daughter, Juliet. He stated that Mr. Shouse mentioned the sum of \$ 243. 00 in connection with this year's scholarship, and recommended that it be accepted.

Upon motion duly made, seconded and carried, the sum of \$ 243. 00 to be paid during the current year was ordered accepted and used as a scholarship in memory of the daughter of Mr. and Mrs. S. Headley Shouse. President Donovan was requested to thank Mr. and Mrs. Shouse for their kindness.

N. Recess for Luncheon.

The Committee recessed at 12:30 p. m. for luncheon at the Student Union, where, at 1:20 p. m. they again took up the agenda.

O. Student Activities Appropriation, Northern Center.

President Donovan reported that it was the policy to aid the Northern Center with its program of student activities by approving appropriation from the College Collection Fund in the amount of \$ 385. 00. He explained that this fund made it possible to carry on a student activities program at the Northern Center similar to the student activities program provided through the Student Union on the campus.

On motion duly made, seconded and carried, the sum of \$ 385. 00 was appropriated to aid the Northern Center in its program of student activities.

P. Dean Elvis J. Stahr's Services Commended.

President Donovan read the following letter from Frank Pace, Jr., Secretary of the Army.

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
Washington 25, D. C.

September 30, 1952

Dr. Herman Lee Donovan
President, University of Kentucky
Lexington, Ky.

Dear Dr. Donovan:

One of the greatest satisfactions I realize as Secretary of the Army is noting the splendid spirit of unselfish cooperation that institutions such as yours render the nation in the interest of national defense.

Elvis J. Stahr, Jr., in his capacity as my Special Assistant for Reserve Forces, made an outstanding contribution during a period when we were engaged in formulating the largest Reserve Forces Program this nation has ever adopted. His assistance in presenting to the Congress proposed legislation necessary to implement this program facilitated its adoption and justly earned commendations from the Department of Defense.

At this time when Elvis is resuming his duties as Dean of the University of Kentucky College of Law, I want to express to you my sincere appreciation for having made his services available to us.

Sincerely,

(Signed) Frank Pace, Jr.
Secretary of the Army

Upon motion duly made, seconded and carried, the letter was authorized received and spread upon the minutes.

Q. Report on Estate of Frank Daugherty, Deceased.

President Donovan recalled that the will of Frank Daugherty, dated March 20, 1950, with codicil dated December 6, 1950, had been reported to this Board after the death of Frank Daugherty on November 1, 1951. He recalled that the will provided for the University of Kentucky to share in the estate for the education in Engineering of youths of Bourbon County, Ky. He reported that the trustee will petition the Judge of the Orphans Court of Montgomery County, Pennsylvania, to approve the sale outright of a house and lot to the deceased's niece, Helen H. Stehlin. The conditions and sale price seem to be equitable and fair, and report was made to this Board for record purposes.

On motion duly made, seconded and carried, the report was authorized received and filed.

R. Contract with Board of Education at Covington, Ky.

President Donovan submitted contract between the University of Kentucky and the Board of Education of the City of Covington, Ky., whereby the Board of Education of the City of Covington leased to the University certain facilities necessary for the operation of the Northern Extension Center. President Donovan explained that this is renewal of an existing contract and provides for the annual rental, not in excess of \$2,500.00, to cover use of facilities and utilities furnished. He recommended that the contract be approved and authorized executed.

On motion duly made, seconded and carried, the contract was approved, and the President and Secretary were authorized to execute contract on behalf of the University.

S. Change of Work for Professor Louis E. Nollau.

President Donovan recommended and submitted report from Dean D. V. Terrell, of the College of Engineering, recommending a change of work for Professor Louis E. Nollau, effective July 1, 1953.

Professor Nollau came to the University as an instructor in drawing and wood shop in September, 1904. He has rendered valuable service to our institution, both in and outside his field of drawing. By long and continuous study he has become an expert in photography and has served the College and the University well in this field. He has a most valuable collection of historic pictures, both in film and in print, covering all of the activities of the University of Kentucky over the past fifty years.

Dean D. V. Terrell recommends that, when Professor Nollau's change of work becomes effective, he be assigned the task of making a complete index of the pictures and film he has that concern the development and history of the University. Professor Nollau's salary shall be adjusted as of July 1, 1953, in keeping with the policy of the University.

Upon motion duly made, seconded and carried, the recommendation was approved, and Professor Louis E. Nollau was given change of work, effective July 1, 1953.

T. Report on Men's Dormitory Status.

President Donovan reported the application for loan for men's dormitory had been approved, and the necessary bond papers were available for consideration. He further reported that the architect, John F. Wilson, was in the process of re-designing the building, and that plans and specifications were not yet available.

U. Report on Women's Dormitory.

President Donovan reported that application for loan for the construction of the new women's residence hall north of Patterson Hall had been filed with the Housing and Home Finance Agency of the Federal Government. He reported that tentative approval had been given the application, and supplemental information requested was being forwarded.

V. Report on Fraternity Houses.

President Donovan reported that the architect had been selected and authorized to proceed with plans and specifications for a fraternity house (small dormitory) to house 48 men students. He reported that the sites of the buildings had been selected and fraternities had been notified and given opportunity to examine the plans and make such suggestions for alterations as desirable. He

stated that he hoped that it would be possible to have available for the meeting of the Board of Trustees at the quarterly meeting in December the completed plans and specifications. He further reported that six fraternities had indicated their interest in securing lease for one of these buildings. He recommended that the road connecting the entrance from Rose Street to Woodland Avenue be constructed.

Upon motion duly made, seconded and carried, the report of the President was received, six fraternity houses were authorized constructed, the road on the front of the fraternity site connecting with Woodland Avenue was authorized built, and the necessary funds were appropriated from unappropriated surplus.

W. Fiscal Agent.

The Comptroller reported that he had requested fiscal agent proposals for handling the fraternity housing bond issue. He reported receipt of proposals from Magnus & Company, Cincinnati, Ohio; The Kentucky Company, Lexington, Ky., and W. E. Hutton, Cincinnati, Ohio; and Pohl and Company, Inc., Cincinnati, Ohio, and Louisville Syndicate (headed by Bankers Bond Company).

The proposal of each of these companies was read and examined by members of the Committee, and after due consideration, upon motion duly made, seconded and carried, the selection of fiscal agent was postponed.

X. Building and Revenue Bonds Authorization and Notice of Sale and Delivery.

President Donovan stated that it would be necessary to issue Building Revenue Bonds under Section KRS 164.190 to provide necessary funds with which to construct Men's Residence Hall No. 5. Whereupon, Harper Gatton introduced and caused to be read in full a proposed resolution entitled "A Resolution of the Executive Committee of the Board of Trustees of the University of Kentucky, authorizing and providing for the issuance, sale, and delivery of 'Dormitory Revenue Bonds of 1952' of the University of Kentucky to pay the cost (not otherwise provided) of constructing an additional dormitory on the campus of the University", which resolution and notice of sale of bonds are as follows:

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF "DORMITORY REVENUE BONDS OF 1952" OF THE UNIVERSITY OF KENTUCKY TO PAY THE COSTS (NOT OTHERWISE PROVIDED) OF CONSTRUCTING AN ADDITIONAL DORMITORY UPON THE CAMPUS OF THE UNIVERSITY.

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

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

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

WHEREAS, this Executive Committee has been duly elected by said Board of Trustees pursuant to the authority of KRS 164.190, and said Board of Trustees has delegated to this Executive Committee broad powers to act in the interests of the said university between sessions of the full Board of Trustees, including the power to authorize and provide for the sale of bonds, as hereinafter set forth, and the power to authorize the execution of a Trust Indenture for the purpose of securing the payment thereof and providing for the orderly disposition of the bond proceeds and of the revenues which will be produced to the University through the operation of said additional dormitory and appurtenant facilities, and

WHEREAS, the State Property and Buildings Commission of the Commonwealth of Kentucky, has appropriated and made available the sum of \$500,000.00 as a contribution to the costs of said additional dormitory and appurtenances and it is necessary that the Executive Committee of the Board of Trustees provide at this time for the borrowing of not to exceed \$1,400,000.00 to provide for the remainder of the estimated total costs thereof,

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

Section 1. It is hereby determined and declared that the proper accommodation of the students of the University of Kentucky for educational purposes requires that an additional dormitory be constructed upon the campus of the University at Lexington, Kentucky, the same to house approximately 359 male students and to include kitchen-dining facilities to accommodate approximately 1300 students, lounge and recreational facilities, and other necessary appurtenant facilities (collectively referred to herein as the "Project"). The plans and specifications of said project as prepared and submitted to this Executive Committee are hereby in all respects approved.

Section 2. In order to provide for the payment of the costs of the project there shall be and there are hereby ordered to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity and by and through its corporate name, and as a State Educational Institution and Agency, dormitory revenue bonds of 1952, in the aggregate principal amount of \$1,400,000.00, dated July 1, 1952, of the denomination of \$1,000.00 each, to be numbered consecutively from 1 to 1400, both numbers inclusive, bearing interest to be evidenced by coupons attached to each bond at a rate or rates none of which shall exceed Three and eleven one-hundredths per cent (3.11%) per annum, (the exact rate or rates to be determined at the time of the receipt and consideration of bids for the purchasing of said bonds, as hereinafter provided) payable on the first days of January and July in each year. Said bonds shall in all respects conform to and be issued in accordance with the provisions of the Trust Indenture referred to in Section (4) hereof. The Chairman and Secretary of the Board of Trustees are hereby authorized and directed to execute said bonds and the Secretary is hereby authorized and directed to affix to each of said bonds the corporate seal of the Board of Trustees. After said bonds have been sold by the Board of Trustees at an advertised public competitive sale, and as soon as said bonds have been received from the printer and executed by the Chairman and Secretary of the Board of Trustees, the same shall be delivered for authentication to the Trustee named in said Trust Indenture, accompanied by appropriate certifications as provided in said Trust Indenture, including a certification of the identity of the purchaser of said bonds and the terms upon which the same may be delivered to said purchaser.

Section 3. The Secretary of this Executive Committee is hereby authorized and directed to execute an appropriate form of "Notice of Sale of Bonds" and cause the same to be published one time in the Courier-Journal, a daily newspaper published in Louisville, Kentucky, and of general circulation throughout the Commonwealth of Kentucky, and one time in The Bond Buyer, a financial newspaper published in New York, New York, and of general circulation throughout the United States of America, soliciting sealed competitive proposals for the purchasing of said bonds, the same to be received in the office of said Secretary on the campus of the University at Lexington, Kentucky, until some day and hour when the Board of Trustees or this Executive Committee will be in session. Publication in each of said newspapers shall be made not less than two weeks prior to the time stated in said "Notice of Sale of Bonds" for the opening and consideration of such purchase proposals. In said notice, purchasers shall be instructed that all proposals must be for the purchasing of the entire \$1,400,000.00 of authorized bonds, that the bidders may stipulate one or more interest coupon rates with respect to said bonds, providing none of such rates may exceed Three and eleven one-hundredths per cent (3.11%) per annum, and only one coupon rate may be stipulated for bonds maturing on the same date. A minimum bid of \$1,400,000.00 (plus accrued interest from July 1, 1952, to the date of delivery and payment) shall be required. The right to reject bids shall expressly be reserved.

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

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

(Form of Indenture)

TRUST INDENTURE

This INDENTURE dated as of the first day of July, in the year Nineteen Hundred Fifty-Two (1952), made by and between BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, a body corporate, as an Educational Institution and Agency of the Commonwealth of Kentucky, (hereinafter called the "Board"), party of the first part, and FARMERS BANK AND CAPITAL TRUST COMPANY, a combined bank and trust company organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having full powers to act as a corporate Trustee, and having its principal office and place of business in the City of Frankfort, Franklin County, Kentucky, as Trustee, (hereinafter called the "Trustee"), party of the second part,

W I T N E S S E T H:

THAT WHEREAS, pursuant to Section 164.160 of the Kentucky Revised Statutes, 1948 Edition, now in full force and effect, the Board is a body corporate with all powers generally invested in corporations and as such, is the governing body of the University of Kentucky, an Educational Institution and Agency of the Commonwealth of Kentucky, having full control of the management and operation of said University together with the property and funds thereof, and

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

WHEREAS, the Board has determined that said University and its students are not at this time provided with adequate buildings and accommodations for educational purposes; and has determined that it is necessary to construct an additional dormitory building, designed to accommodate 359 male students, with kitchen-dining facilities to accommodate 1300 students, with lounge and recreational facilities and other necessary appurtenant facilities, (collectively referred to herein as the "Project"), such building to be situated upon a site which is a part of the campus of said University in or adjacent to the City of Lexington, Fayette County, Kentucky, and which is hereinafter described and identified for the purpose of identifying the project, and

WHEREAS, pursuant to Section 162.340 et seq. of the Kentucky Revised Statutes, 1948 Edition, now in full force and effect, the Board is authorized to provide all or a part of the costs of said project through the issuance and sale of its revenue bonds, payable solely from the income and revenues provided to the University through the operation of said project, including such payments as may be required from the current funds of said University as representing the reasonable cost and value of services rendered to said University by the project in furnishing any educational facilities necessary in the operation of said University, and

WHEREAS, the State Property and Buildings Commission of the Commonwealth of Kentucky has appropriated the sum of \$ 500,000.00 as a contribution to the costs of the project and the Board, acting through its duly authorized Executive Committee, in order to provide the remainder of the estimated aggregate costs of the project, has duly adopted an appropriate form of Resolution authorizing the issuance of "University of Kentucky Dormitory Revenue Bonds of 1952", dated July 1, 1952, as hereinafter described, and has duly authorized the execution of this Trust Indenture in the form hereof for the purpose of securing the payment of said bonds and the interest thereon and to provide for the proper and orderly administration of the revenues of said project and of the bonds proceeds, and

WHEREAS, the bonds of said series and the coupons appertaining thereto and a Trustee's certificate with respect to all such bonds and provisions for the registration of said bonds as to principal only, are to be substantially in the following form with appropriate insertions, omissions, and variations, as in this indenture provided or permitted:

(Form of Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
DORMITORY REVENUE BOND OF 1952

Number _____

\$ 1,000.00

The Board of Trustees of the University of Kentucky, a body corporate, as an Educational Institution and Agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to the bearer, or, if this bond be registered, to the registered owner hereof, as hereinafter provided, the sum of \$ 1,000.00 on the first day of July, 19____, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ percentum (_____ %) per annum, such interest being payable semi-annually on the first days of January and July in each year, except as the provisions hereinafter set forth with respect to prior redemption may become applicable hereto, such interest as may accrue on and prior to the maturity date of this bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency which, on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America, at the principal office of Farmers Bank and Capital Trust Company in the City of Frankfort, Franklin County, Kentucky, or, at the option of the holder or registered owner, at the principal office of Chemical Bank and Trust Company in the Borough of Manhattan, City of New York, State of New York.

This bond is one of a duly authorized series of bonds in the aggregate principal amount of \$ 1,400,000.00, all of said bonds being of the same form, tenor, and effect, (except for numbers, maturity dates, and possible variation in interest rates) issued for financing the costs, not otherwise provided, of an additional dormitory, including kitchen-dining facilities, lounge and recreational facilities and other necessary appurtenant facilities for educational purposes in connection with the University of Kentucky, under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes, 1948 Edition, now in full force and effect.

All of said bonds are issued under and pursuant to an indenture (said indenture, together with all indentures supplemental thereto as therein permitted, being herein called the "Indenture") of even date herewith executed by and between Board of Trustees of the University of Kentucky and Farmers Bank and Capital Trust Company, Frankfort, Franklin County, Kentucky, as Trustee (said Trustee and any successor Trustee under said indenture being herein called the "Trustee"), an executed counterpart of which is on file at the office of said Trustee in the City of Frankfort, Kentucky. Reference is hereby made to the indenture for the provisions, among others, with respect to the custody and the application of the proceeds of the bonds, the collection and disposition of revenues, the fund charged with and pledged to the payment of the interest on and the principal of said bonds, the nature and extent of the security, the rights, duties, and obligations of said Board of Trustees and of the Trustee and the rights of the holders of the bonds, and, by the acceptance of this bond the holder hereof assents to all of the provisions of said indenture. Under authority of the statutes pursuant to which this bond is issued, this bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration endorsed hereon and contained in the indenture, nothing contained in this bond or in said indenture shall affect or impair the negotiability of this bond.

The holder of this bond shall have no right to enforce the provisions of the indenture or to institute action to enforce the covenants therein, or to take any action with respect to any default under the indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the indenture. The indenture provides for fixing, charging and collecting rentals and other charges for the use of said dormitory and appurtenant facilities, identified by a description of the site upon which the same will be constructed upon the campus of the University of Kentucky at Lexington, Kentucky, which rents and charges will be sufficient to pay the cost of maintenance, repair and operation thereof and the principal of and the interest on said bonds as the same shall become due and to provide reserves for such purposes. The indenture provides for the creation of a special fund designated "1952 Dormitory Revenue Bond and Interest Sinking Fund Account" (herein called the "Sinking Fund"), and for the deposit to the credit of said Sinking Fund of a sufficient amount of the revenues of said dormitory and appurtenant facilities over and above the cost of such maintenance, repair, and operation, to pay the principal of and the interest on the bonds as the same become due, and to provide a reserve for such purpose, which Sinking Fund is pledged to and charged with the payment of said principal and interest.

This bond and the series of which it is one are payable only from a fixed amount of the gross income and revenues to be derived from the operation of said dormitory and appurtenances which will be set aside as a special

fund and pledged for that purpose and identified as the "1952 Bond and Interest Sinking Fund Account", and this bond does not constitute any indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The right is hereby reserved to call and redeem any bonds of the series of which this bond is a part, prior to maturity, as a whole, or from time to time in part, in the inverse order of their numbering, on any January 1 or July 1, at par plus accrued interest to the redemption date at the rate evidenced by the coupons attached thereto, provided that a notice specifying the bonds to be redeemed shall have been on file at the office of the Trustees named in the aforementioned indenture (or at the office of any successor Trustee which may be designated as in said indenture provided) at least 30 days prior to the specified redemption date, and provided such notice shall have been published at least once not less than 30 days prior to said redemption date in a daily newspaper of general circulation throughout the Commonwealth of Kentucky, and in a financial publication published in the Borough of Manhattan, City and State of New York. Any bonds called for redemption and for the payment of which funds are deposited with said Trustee (or successor Trustee) on the specified redemption date shall cease to bear interest on said redemption date and shall cease to be secured pursuant to the provisions of said indenture.

This bond shall pass by delivery unless registered as to principal in the holder's name on the books of said Board of Trustees at the office of Farmers Bank and Capital Trust Company in the City of Frankfort, Kentucky, or at the office of its successor as Trustee under the Indenture, and such registration noted hereon, after which no valid transfer hereof can be made except at such office, until after registered transfer to bearer, but after such registered transfer to bearer, this bond shall be again transferable by delivery, and may again from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Trustees and the Trustee may deem and treat the bearer of this bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this bond be so registered, or if this bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of receiving payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said dormitory and appurtenant facilities, is created and granted to and in favor of the holder or holders of this bond and the series of which it is a part, and in favor of the holder or holders of the coupons attached thereto, and said dormitory and appurtenant facilities shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this bond and the series of which it is a part.

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

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

IN TESTIMONY WHEREOF, Board of Trustees of the University of Kentucky has caused this bond to be signed by its Chairman, and its corporate seal to be hereunto affixed, attested by its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of the said Chairman and Secretary, which officers, by the execution of this bond, do adopt said facsimile signatures to be their respective authorized and proper signatures, all being done as of the first day of July, 1952.

Chairman, Board of Trustees

(SEAL)

ATTEST:

Secretary, Board of Trustees

(Form of Coupon)

Number _____

\$ _____

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

On the first day of _____, 19_____, Board of Trustees of the University of Kentucky will pay to bearer _____ Dollars (\$ _____) in any coin or currency which at said date of payment is legal tender for the payment of debts due the United States of America, out of its "1952 Dormitory Revenue Bond and Interest Sinking Fund Account" at the principal office of Farmers Bank and Capital Trust Company in the City of Frankfort, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank and Trust Company in the Borough of Manhattan, City of New York, State of New York, as provided in and for interest then due on its dormitory revenue bond of 1952, dated July 1, 1952, Number _____.

Chairman, Board of Trustees

Secretary, Board of Trustees

(Form of Authentication)
 (Certificate)

This bond is one of the bonds described or provided for in the within mentioned indenture.

FARMERS BANK AND CAPITAL TRUST
 COMPANY, Trustee

 Authorized Officer

(Form for Registration to be)
 (printed on the back of each bond)

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

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

NOW, THEREFORE, this Indenture witnesseth:

That, in consideration of the premises, of the acceptance by the Trustee of the Trust hereby created, and of the purchase and acceptance of the bonds by the holders thereof, and also for and in consideration of the sum of One Dollar (\$ 1. 00) to the Board in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the bonds and interest coupons are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all the bonds at any time issued and outstanding hereunder, and the interest thereon according to their tenor, purport, and effect, and in order to secure the performance and observance of all of the covenants, agreements, and conditions therein and herein contained, the Board has pledged and does hereby pledge to the Trustee, to the extent provided in this Indenture, the revenues of the project and the use fee as security for the payment of the bonds and the interest thereon, and it is mutually agreed and covenanted by and between the parties hereto, for the equal and proportionate benefit and security of all and singular the present and future holders of the bonds and interest coupons issued and to be issued under this Indenture, without preference, priority, or distinction

as to lien or otherwise, except as otherwise herein provided, of any one bond over any other bond by reason of priority in the issue, sale or negotiation thereof or otherwise, as follows:

ARTICLE ONE

DEFINITIONS OF TERMS

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

- (a) "University" -- the University of Kentucky, situated in Lexington, Fayette County, Kentucky.
- (b) "Board" -- the Board of Trustees of the University of Kentucky, as such, or acting through its Executive Committee, to the extent that the powers of said Board of Trustees may have been delegated to such Executive Committee as permitted by Section 164.190 of the Kentucky Revised Statutes.
- (c) "Trustee" -- Farmers Bank and Capital Trust Company, a combined bank and trust company created under and existing by virtue of the laws of the Commonwealth of Kentucky, having proper trust powers, and having its principal office and place of business in the City of Frankfort, Franklin County, Kentucky, or any successor Trustee designated pursuant to the provisions of this Indenture.
- (d) "Paying Agents" -- the Trustee or any successor Trustee as defined in the foregoing paragraph (c), and, at the option of the holders of the bonds and coupons issued under the provisions hereof, the principal office of Chemical Bank and Trust Company in the Borough of Manhattan, City of New York, State of New York.
- (e) "Bonds" -- bonds issued pursuant to the provisions of this indenture.
- (f) "Sinking Fund" -- the "1952 Dormitory Revenue Bond and Interest Sinking Fund Account" of the University of Kentucky, as created in this indenture.
- (g) "Construction Fund" -- the special account or fund created in this indenture, into which provision is made for the deposit of the bond proceeds (exclusive of accrued interest received from the purchaser or purchasers and exclusive of interest during construction) together with other funds appropriated by the State Property and Buildings Commission of the Commonwealth of Kentucky as a contribution to the costs of the Project, (as hereinafter defined).
- (h) "Project" -- the dormitory building including kitchen-dining facilities, lounge and recreational facilities, and other necessary appurtenant facilities for educational purposes, to be constructed through application of the proceeds of the construction fund, upon a portion of the campus of the University at Lexington, Kentucky, said portion or site being particularly described in Article "Fourteen" hereof.

- (i) "Chairman" -- the Chairman and each and every Vice Chairman and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.
- (j) "Secretary" -- the Secretary and each and every Assistant Secretary and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Secretary of the Board.
- (k) "Treasurer" -- the Treasurer and each and every Assistant Treasurer and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Treasurer of the Board.
- (l) "Counsel" -- any Counsel appointed by the Board and approved by the Trustee, including any Counsel in the employ of the Board or of the University and so appointed and approved.
- (m) "Engineer" -- any licensed architect or engineer appointed by the Board and approved by the Trustee, including any such architect or engineer in the employ of the Board or of the University and so appointed and approved.
- (n) "Accountant" -- any accountant appointed by the Board and approved by the Trustee, including any accountant in the employ of the Board or of the University and so appointed and approved.
- (o) "Certified copy of a Resolution" -- a resolution certified by the Secretary to have been duly passed and adopted by the Board or by the Executive Committee of the Board acting within the scope of the powers duly delegated to it by the Board, and certified by said secretary to have been adopted by the requisite majority of said Board or its Executive Committee at a meeting duly and properly called and convened.
- (p) "Use Fee" -- the reasonable cost and value of any services rendered to the Board or to the University by the Project in furnishing any educational facilities necessary in the operation of the University, such use fee or use fees to be payable monthly, as the service accrues, from the current funds of the Board and/or of the University into the Sinking Fund, as expressly authorized by Section 162.360 of the Kentucky Revised Statutes.

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

Section 1.03 The words "bond", "owner", "holder", and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The term "bondholders" means and contemplates, unless the context otherwise indicates, the holders of the bonds at the time issued and outstanding hereunder. Each of the words "person" and "corporation" shall include the other, unless the context shall otherwise indicate.

Section 1.04 Whenever in this Indenture it is provided that any facts

or opinion be evidenced to the Trustee by means of a certificate, statement, opinion, or other document, it shall constitute compliance herewith if the various facts and/or opinions intended so to be evidenced to the Trustee be included in different certificates, statements, opinions, or other documents signed by the same person or different persons of the same qualifications.

ARTICLE TWO

EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF BONDS

Section 2.01 Save as is herein provided in respect of mutilated, lost, destroyed or stolen bonds and in respect of transfers and exchanges, bonds may be issued hereunder to the aggregate principal amount of One Million Four Hundred Thousand Dollars (\$1,400,000.00) and no more. The bonds shall be issued as coupon bonds in the denomination of One Thousand Dollars (\$1,000.00) each, registrable as to principal only and numbered as hereinafter provided. The principal of each bond and the interest thereon shall be payable at the office of Farmers Bank and Capital Trust Company, in the City of Frankfort, Kentucky, or of its successors in trust under this Indenture, or, at the option of the holder, at the principal office of Chemical Bank and Trust Company, in the City of New York and State of New York in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America. The bonds and the interest coupons appertaining thereto shall be respectively substantially in the forms hereinbefore set forth, with such omissions, variations, and insertions as are required or permitted by the terms of this Indenture to evidence the terms thereof. This Indenture shall be a continuing lien to secure the full and final payment of the principal of and interest on all bonds issued, authenticated and delivered pursuant to the terms hereof.

Section 2.02 This Indenture shall secure the payment of the principal of and interest on said bonds of Board of Trustees of the University of Kentucky in the aggregate principal amount of One Million Four Hundred Thousand Dollars (\$1,400,000.00), the same to be designated "University of Kentucky Dormitory Revenue Bonds of 1952". The said bonds shall be dated July 1, 1952, and numbered 1 to 1400, inclusive, and shall bear interest at one or more interest coupon rates to be established upon the basis of competition among bidders when said bonds are sold at an advertised public competitive sale, as hereinafter provided, but none of said interest coupon rates shall exceed Three and eleven one-hundredths per cent (3.11%) per annum. All such interest to the respective maturity dates of principal shall be evidenced by coupons attached to the bonds, maturing on each January 1 and July 1. The bonds shall mature as to principal in accordance with the following schedule:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1-20	\$ 20,000.00	July 1, 1955
21-40	20,000.00	July 1, 1956
41-60	20,000.00	July 1, 1957
61-80	20,000.00	July 1, 1958
81-105	25,000.00	July 1, 1959
106-130	25,000.00	July 1, 1960
131-155	25,000.00	July 1, 1961
156-180	25,000.00	July 1, 1962

181-205	\$ 25,000.00	July 1, 1963
206-230	25,000.00	July 1, 1964
231-255	25,000.00	July 1, 1965
256-285	30,000.00	July 1, 1966
286-315	30,000.00	July 1, 1967
316-345	30,000.00	July 1, 1968
346-375	30,000.00	July 1, 1969
376-405	30,000.00	July 1, 1970
406-440	35,000.00	July 1, 1971
441-475	35,000.00	July 1, 1972
476-510	35,000.00	July 1, 1973
511-545	35,000.00	July 1, 1974
546-580	35,000.00	July 1, 1975
581-620	40,000.00	July 1, 1976
621-660	40,000.00	July 1, 1977
661-700	40,000.00	July 1, 1978
701-740	40,000.00	July 1, 1979
741-780	40,000.00	July 1, 1980
781-825	45,000.00	July 1, 1981
826-870	45,000.00	July 1, 1982
871-915	45,000.00	July 1, 1983
916-965	50,000.00	July 1, 1984
966-1015	50,000.00	July 1, 1985
1016-1065	50,000.00	July 1, 1986
1066-1115	50,000.00	July 1, 1987
1116-1170	55,000.00	July 1, 1988
1171-1225	55,000.00	July 1, 1989
1226-1280	55,000.00	July 1, 1990
1281-1340	60,000.00	July 1, 1991
1341-1400	60,000.00	July 1, 1992

The bonds shall be redeemable prior to maturity, as a whole or from time to time in part, on any interest payment date, at par and accrued interest at the applicable coupon rate or rates, at the option of the Board or through the application of (a) the proceeds of insurance as provided in Section 5.04 of this Indenture, or (b) the balance of moneys in the Construction Fund as provided in Section 7.06 of this Indenture. In each such case such redemption shall be upon the notice and in the manner and with the effect provided in Article Three of this Indenture, and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption. If bonds are redeemed in part, they shall be redeemed in inverse numerical order.

Section 2.03 The bonds shall be offered for sale by the Board, without the intervention of the Trustee, at such time or times as the Board may direct upon the basis of notices published by the Board in a newspaper of general circulation throughout the Commonwealth of Kentucky and in the Bond Buyer, a financial news medium published in New York, New York of general circulation throughout the United States of America, and upon the basis of sealed competitive bids which shall be opened, considered, and acted upon by the Board or by its Executive Committee, as the Board or said Executive Committee may deem desirable. The Bonds shall at one time or from time to time be executed on behalf of the board by its Chairman under its corporate seal, attested by its Secretary, and shall be delivered to the Trustee for authentication by it, and thereupon the Trustee shall, upon receipt by the

Trustee of evidence satisfactory to the Trustee of the proper execution of this Indenture, authenticate and shall deliver the said bonds in principal amount not exceeding One Million Four Hundred Thousand Dollars (\$1,400,000.00) upon the order of the Board, signed by its Chairman and designating the identifying numbers, maturities and interest coupon rates of the bonds contemplated thereby; the name of the purchaser thereof and the amount of the purchase price. The Trustee shall make delivery to such purchaser or purchasers, but only upon payment of the stated purchase price, which shall immediately be deposited to the credit of the University in the various special funds or accounts, as hereinafter provided.

Only bonds as shall bear thereon endorsed a certificate of authentication substantially in the form hereinbefore recited, executed by the Trustee, shall be secured by this Indenture or be entitled to any right or benefit hereunder. The authentication by the Trustee upon any bond shall be conclusive evidence and the only evidence that the bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefit of the trusts hereby created. Without limiting the rights or privileges otherwise obtaining to the holders of bonds issued hereunder, such holders are permitted to endorse thereon any text to show payment of taxes with respect to said bonds, or to render the same in compliance with any law governing the sale of securities.

The bonds must be in compliance with the following specifications:

- (a) The bond forms used must not be purchasable in blank by printers or others, but must be purchased only in the form of completed bonds. The name of the engraving company must appear on each bond and coupon. The size of the bonds and coupons must conform to standard practice and the paper used must be of sufficient weight and strength to prevent deterioration through ordinary handling.
- (b) Face of bond --
 - (1) Border and Denominational Counter (including Figure) steel-engraved, but the Denomination Figure may be printed on steel-engraved background.
 - (2) Text from type composition.
 - (3) Steel-engraved under-tint underlying all or part of the text.
- (c) Back of bond --
 - (1) Borders, Denominational Counter and Denominational Figure lithographed, but the Denominational Figure may be printed on lithographed background.
 - (2) Lithographed under-tint underlying the denomination.
 - (3) Text from type composition.
- (d) Face of coupon --
 - (1) Text from type composition.
 - (2) Lithographed under-tint.

(e) Back of coupon --

Lithographed, with or without coupon numbers or such other minimum specifications as may be required at the time of the issuance of the bonds by the Housing and Home Finance Agency of the United States of America in connection with bonds to be purchased under P. L. 475, 81st Congress.

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

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

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

Section 2.05 The Board shall keep at the office of the Trustee books for the registration and transfer of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the holder of any bond issued hereunder, and upon presentation for the purpose at such office, the Board will register or transfer or cause to be registered or transferred therein, as hereinafter provided, and under such reasonable regulations as it may prescribe, any bonds issued under this Indenture and entitled to be so registered or transferred. The Trustee shall act as registrar in effecting all registrations on the books kept at its office.

All bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. The holder of any bond issued hereunder may have the ownership of the principal thereof registered on said books of the Board at the office of the Trustee and such registration shall be noted on the bond. After such registration no transfer shall be valid unless made on the said books by the registered owner in person, or by his duly authorized attorney, and similarly noted on the bond; but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such bond may again, from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer. Such registrations and discharges from registration shall be without expense to the

holder of the bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the party requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

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

Section 2.06 Before authenticating any bonds the Trustee shall cut off, cancel and cremate all matured coupons thereon and the Trustee shall deliver to the Board a certificate of cremation thereof.

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

Section 2.08 As to all bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes of this Indenture, and thereafter payment of or on account of the principal of such bond shall be made only to or upon the order in writing of such registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Board and the Trustee may deem and treat the bearer of any bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Board and the Trustee shall not be affected by any notice to the contrary.

ARTICLE THREE

REDEMPTION OF BONDS

Section 3.01 In case the Board shall desire to exercise its right of redemption of all, or, as the case may be, any permissible part of the bonds, or in case any bonds are to be redeemed otherwise that at the option of the Board, it shall file with the Trustee (at least 30 days in advance of the redemption date) a copy of a notice specifying the redemption date and the numbers of the bonds to be redeemed, and shall publish in one daily newspaper printed in the English language and published in and of general circulation throughout the Commonwealth

of Kentucky, and in a financial publication published in the Borough of Manhattan, City and State of New York, at least once not less than 30 days before the date fixed for redemption, a notice to the effect that the Board will redeem all the bonds or a part thereof, as the case may be, on a date therein designated, specifying the maturity dates and in the case of partial redemption of the bonds of any maturity, the distinctive numbers of the bonds of such maturity to be redeemed, and in every case stating that on said redemption date there will become and be due and payable upon each bond so to be redeemed, at the offices of the Paying Agents, the principal thereof, together with the accrued interest to such date, and that from and after such redemption date interest thereon will cease to accrue. If any of the bonds to be redeemed are registered as to principal, similar notice shall be sent by the Board through the mails, postage prepaid, at least thirty (30) days prior to such redemption date, to the persons respectively who shall appear by the transfer register of the Board to be the registered owners of such bonds, at their addresses as the same shall appear, if at all, upon the transfer record of the Board at the office of the Trustee, but such mailing shall not be a condition precedent to such redemption, and failure so to mail any notice shall not affect the validity of the proceedings for the redemption of such bonds. In case the Board shall have elected at its option to redeem less than all of the outstanding bonds, the bonds to be redeemed shall be taken in inverse numerical order.

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

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

On or before the redemption date specified in the notice above provided for, the Board shall, and it hereby covenants that it will, deposit with the Trustee an amount of cash sufficient to effect the redemption of the bonds specified in such notice, or cause the Trustee to apply to such purpose moneys theretofore deposited with the Trustee under the provisions hereof and properly available for such purpose. All moneys deposited by the Board with the Trustee, or set apart by the Trustee, under the provisions of this Indenture, for the redemption of bonds, shall be held in trust for account of the holders thereof and shall be paid to them respectively upon presentation and surrender of said bonds accompanied by all interest coupons maturing after the date fixed for redemption thereof; provided, however, if any such bonds shall be registered, the same shall be endorsed in blank for transfer if the Trustee shall so require.

From and after the date of redemption designated in such notice (such notice having been given as aforesaid and such deposit having been made or moneys set apart as aforesaid), no further interest shall accrue upon any of the bonds so to be redeemed, and any coupons for interest pertaining to any such bonds and maturing after such date shall be void, and all such bonds, in so far as such deposit shall have been made or moneys set apart as aforesaid, and all such coupons shall cease to be entitled to the benefit of the lien of this Indenture, and the Board shall be under no further liability in respect thereof.

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

ARTICLE FOUR

DISPOSITION OF INCOME AND REVENUES OF THE PROJECT

Section 4.01 There is hereby created a special account or fund upon the books and records of the University of Kentucky, separate and apart from all other accounts and funds, the same to be designated "Dormitory Revenue Fund of 1952" (hereinafter sometimes referred to as the "Revenue Fund"). Into this fund there shall be set aside and deposited from time to time, as received, all of the gross income and revenues of the Project, including the monthly use fees for the kitchen-dining facilities, and the lounge and recreational facilities, as provided in Section 4.03 of this Article Four.

Section 4.02 There is hereby created a special account or fund upon the books of the University of Kentucky, separate and apart from all other accounts and funds, the same to be designated "1952 Dormitory Revenue Bond and Interest Sinking Fund" (hereinafter sometimes referred to as the "Sinking Fund"). The said fund shall be maintained and deposited in the custody of the Trustee, and shall be used by the Trustee to pay interest as it becomes due on bonds from time to time outstanding, and to pay and to retire the bonds as they mature.

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

(1) That initially or from time to time there will be deposited in the Sinking Fund the accrued interest, if any, received at the time or times of the sale or sales of the bonds, together with such further sum from the bond proceeds as will cause the total so deposited to equal all interest maturing until the Project becomes revenue-producing, as estimated by the architect.

(2) That after the Project shall be completed and available for occupancy, the Board will deposit in the Sinking Fund, annually, on or before the anniversary of the date on which the Project shall have become available for occupancy:

- (a) Not less than \$ 78,000.00 derived from the pledged revenues and income of the Project until such time as the total amount accumulated in said Sinking Fund, including any accumulations which are invested and are carried to the credit of said Sinking Fund is sufficient to pay the maturing principal and interest with respect to all bonds then outstanding for the current year and the next succeeding period of two calendar years, and
- (b) After there shall have been accumulated in said Sinking Fund a sum equal to maturing principal and interest with respect to all bonds then outstanding for such current year and the succeeding period of two calendar years, funds derived from the pledged revenues and income of the Project to an amount, in each year, not less than a sum sufficient to pay maturing interest and principal with respect to the then outstanding bonds during such current year and to maintain a reserve in said Sinking Fund equal to the maturing principal and interest for the next succeeding period of two calendar years.

Section 4.03 The Board further covenants and agrees that the reasonable cost and value of services rendered to the University by the Project in providing kitchen-dining facilities, lounge and recreational facilities available to the student body generally, as well as to the men students who will reside in the Project, is and will be not less than \$ 36,200.00 for the kitchen-dining facilities, and not less than the sum of \$ 10,800.00 for the lounge and recreational facilities of the Project, and the Board agrees that so long as any bonds are outstanding pursuant to the provisions of this Indenture, the Board will pay, monthly, as the service accrues, not less than one-twelfth (1/12) of each of said sums from the current funds of the Board and/or of the University and the same shall constitute income and revenues of the Project and shall be deposited in the Sinking Fund, and shall constitute a part of the minimum annual payments into said Sinking Fund as set forth in Section 4.02 hereof. Said sums of \$ 36,200.00 and \$ 10,800.00 are sometimes referred to in this Indenture as "Use Fees."

Section 4.04 Immediately prior to each January 1 and July 1, the Trustee (or any successor Trustee under the provisions of this Indenture) shall transfer from the Sinking Fund to the principal office of Chemical Bank and Trust Company, City of New York, State of New York, in its capacity as the New York Paying Agent named herein, funds sufficient to enable said New York Paying Agent to pay maturing bonds and interest coupons as are there presented by the persons entitled to receive payment therefor; or shall make such arrangements with said New York Paying Agent as to assure the prompt payment of maturing bonds and coupons as are there presented. The Trustee shall make similar arrangements in the event of redemption of any bonds pursuant to Article Three of this Indenture. All such arrangements shall include provisions for the payment to the New York Paying Agent of its reasonable fees and charges for its services in paying and cancelling bonds and coupons, in order that the persons entitled to receive payment therefor may receive the full amount due and payable without deduction of any sum for the compensation of the New York Paying Agent.

Section 4.05 There is hereby created a special account or fund upon the books of the University of Kentucky, separate and apart from all other accounts and funds, the same to be designated "Dormitory Maintenance Fund of 1952", (hereinafter sometimes referred to as the "Maintenance Fund"). Into this fund there shall be set aside and deposited from time to time, from the Revenue Fund, (after the required payments have first been made from the Revenue Fund into the Sinking Fund, as provided in Sections 4.02 and 4.03 hereof) such sums as may be required to pay in each year the proper costs of operating and maintaining the Project and to pay the cost of insuring the Project as provided in Article Five hereof (including use and occupancy insurance whenever required under the provisions of Section 5.04 hereof), and (if sufficient moneys are available, to accumulate in said Maintenance Fund a surplus equal to the estimated cost of maintaining and operating the Project during the remaining portion of the calendar year and the cost of maintaining and operating the Project for the succeeding calendar year; and moneys from time to time so deposited in the Maintenance Fund shall be so applied.

If a surplus is accumulated in the Maintenance Fund equal to the costs of maintaining and operating the Project during the remaining portion of the calendar year and the cost of maintaining and operating the Project for the succeeding calendar year, such accumulated amount shall be held in the Maintenance Fund as a reserve for unforeseen contingencies, and any excess over such amount

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satisfactory to the Trustee, loss, if any, to be made payable to the Trustee as its interest may appear; that it will within a reasonable time after the execution hereof, and within four (4) months after the close of each calendar year thereafter, furnish to the Trustee a statement in writing signed by an officer of the Board setting forth the full insurable value of the Project and fully describing all insurance then in force, but the Trustee may, at its option, require the Board to deposit with it any or all such insurance policies, and shall require such deposit if any event of default occurs; that if the total amount received by the Trustee upon all policies shall, in the case of any one loss, be less than the sum of Five Thousand Dollars (\$ 5,000.00), the amount shall be paid forthwith to the Board by the Trustee, to be used by the Board to pay for replacements or repairs of or substitutes for the damaged or destroyed property, but the Trustee shall not be obliged to see to the application thereof; that in all other cases the proceeds of any and all insurance on any part of said property which may be received by the Trustee shall be held and applied by the Trustee as hereinafter in this Section provided.

The Board further covenants and agrees that it will obtain and keep in force Use and Occupancy Insurance covering the operation of the Project, in the amount of Seventy-eight Thousand Dollars (\$ 78,000.00) when and so long as the funds on deposit with the Trustee in the Bond and Interest Sinking Fund provided for by Article Four hereof shall be inadequate to meet debt service on the bonds as in said Article defined, for the next succeeding twenty-four (24) months.

All insurance moneys (except the proceeds of use and occupancy insurance, which shall be deposited in the Sinking Fund; and property insurance in amounts of less than Five Thousand Dollars (\$ 5,000.00) above provided to be paid over to the Board) received by the Trustee under the provisions of this Section shall be held by the Trustee as substituted security and the same shall be by the Trustee paid out from time to time upon written orders of the Board, signed by the Chairman and Secretary, and accompanied by an approving certificate of an engineer, for the purpose of paying the reasonable cost of repairing or replacing part or all of the property damaged or destroyed; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs or replacements, and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs or replacements, as shown by the said certificate of an engineer. Every such order of the Board for the payment of insurance moneys shall state that the Board is not in default under any of the terms and provisions of this Indenture. The Trustee shall be fully protected in paying any such cash to or upon the order of the Board upon receipt of the showings above specified, but the Trustee shall have the right, but shall not be obliged, to require the Board to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Board to the withdrawal of any such insurance moneys. In event insurance proceeds shall remain after the completion of such repairs or replacements, then the Trustee shall deposit such moneys in the Bond and Interest Sinking Fund provided for by Article Four hereof.

In the event that the property damaged or destroyed is non-revenue producing and the Board shall not elect, within six (6) months after the date of deposit of any such insurance moneys, and within such period notify the Trustee in writing of such election, to have such insurance moneys applied to the purpose above specified, then the Trustee shall apply such insurance moneys to the retirement of bonds in the manner provided in Section 7.06 hereof.

Section 5.05 The Board covenants and agrees that it will at all times maintain, preserve, and keep the Project and every part thereof in good condition, repair and working order and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the Project and every part thereof shall at all times be conducted properly and advantageously; and whenever any portion of the Project shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal value, utility and efficiency so that the value and efficiency of the Project shall at all times be fully maintained; and the Board will set apart, use and apply for the foregoing purposes so much of the revenues of the Project as may be required.

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

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

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

Section 5.09 The Board covenants and agrees that whenever necessary to avoid or fill a vacancy in the office of the Trustee the Board in the manner provided in Section 12.05 hereof will appoint a trustee so that there shall at all times be a trustee hereunder which shall at all times be a bank or trust company having its principal office and place of business in the Commonwealth of Kentucky, if there be such a bank or trust company willing and able to accept the trust upon reasonable or customary terms, and which shall at all times be a corporation organized and doing business under the laws of the United States or of the Commonwealth of Kentucky, with a capital and surplus of at least One Million and No/100 Dollars (\$1,000,000.00), and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority.

Section 5.10 The Board covenants and agrees that it will not go into voluntary bankruptcy or insolvency, or apply for or (subject to the provisions of Section 9.02 hereof) consent to the appointment of a receiver or trustee of

itself or of its property or make any general assignment for the benefit of its creditors, or suffer any order adjudicating it to be bankrupt or insolvent or appointing a receiver or trustee of it or of its property.

Section 5.11 The Board covenants and agrees that it is duly authorized under the laws of Kentucky and under all other applicable provisions of law to create and issue the bonds herein provided for, to execute and deliver this Indenture, and to pledge the income and revenues of the Project, including the Use Fee with respect to kitchen-dining facilities, lounge and recreational facilities of the Project, as herein provided, that all corporate and/or other action on its part for the creation and issue of said bonds and the execution of this Indenture has been duly and effectually taken, that said bonds when issued and in the hands of the holders thereof are and will be valid and enforceable obligations of the Board, and that this Indenture is and always will be a valid Indenture of Trust, to secure the payment of said bonds; and that the Board now has complete and lawful authority and privilege to maintain and operate the Project and that no permits, rights, franchises or privileges of the Board will be allowed to lapse or be forfeited so long as the same shall be necessary for the operations of the Board; provided, however, that the expiration by lapse of time of any right, franchise or privilege shall not constitute a violation of this covenant, but the Board hereby expressly covenants that it will exercise its best efforts and any and every proper means to procure extension or renewal of each and every right, franchise or privilege so expiring and necessary or desirable for the operation of the Project or for the operations of the Board.

Section 5.12 The Board covenants and agrees that it will not issue, or permit to be issued, any bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and that it will faithfully observe and perform all conditions, covenants and requirements of this Indenture and of all indentures supplemental thereto.

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

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

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

bonds and the interest thereon, and to perform all of the obligations hereby imposed upon the Board.

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

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

The Board further covenants and agrees that it will establish and maintain charges for food which will be adequate to pay all costs of the operation and maintenance of the kitchen-dining facilities of the Project and that in no event will any of such costs be charged against revenue derived from operation of the remainder of the Project.

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

The Board further covenants and agrees that while any of the bonds are outstanding hereunder, the Use Fees for the kitchen-dining facilities and for the lounge and recreational facilities of the Project will not be reduced below the respective figures set forth in Section 4.03 hereof.

The Board covenants and agrees that it will furnish to the Trustee within 120 days after the end of each fiscal year beginning with the fiscal year ending June 30, 1955, a detailed report prepared by and accompanied by the opinion of a certified public accountant or a firm of independent certified public accountants who shall be satisfactory to the Trustee, containing a detailed report of the income and expenses of operation of the Project during said preceding fiscal year.

ARTICLE SIX

DEPOSITORS OF MONEYS, SECURITY OF DEPOSITS AND INVESTMENT OF FUNDS

Section 6.01 All moneys deposited with the Trustee or any other bank or banks under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment by any creditor. Such moneys shall be held in trust and applied in accordance with the provisions of this Indenture.

All moneys deposited with the Trustee or any other bank or banks hereunder shall be continuously secured, for the benefit of the Board

and the holders of the bonds, either (a) by lodging with a bank or trust company approved by the Treasurer of the Board as custodian, as collateral security, direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, or other marketable securities, eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) as to all or any part of such deposit, by lodging with the Treasurer of the Board the indemnifying bond or bonds of a surety company or companies qualified as surety for United States Government deposits and qualified to transact business in the Commonwealth of Kentucky in a penal sum not less than the amount of moneys so deposited or such part thereof, such bond or bonds to be approved in writing by the Treasurer of the Board, or (c) if the furnishing of security as provided in clause (a) of this Section is not permitted by applicable law, then in such manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for either of the Paying Agents to give security for the deposit of any moneys with it for the payment of the principal of or the interest on any bonds issued hereunder.

SECTION 6.02 Moneys held for the credit of the Sinking Fund in excess of all bond principal and interest requirements for the ensuing twelve months' period shall be invested by the Trustee, if so directed by resolution of the Board, in direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government. Obligations so purchased shall be deemed at all times to be a part of the Sinking Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to the Sinking Fund. The Trustee shall sell at the best price obtainable any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment from the Sinking Fund. Neither the Trustee nor the Board shall be liable or responsible for any loss resulting from any such investment.

ARTICLE SEVEN

CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

Section 7.01 A fund is hereby created and designated "University of Kentucky Dormitory Construction Fund" (herein sometimes called the "Construction Fund"), to the credit of which there shall be deposited, as received, the proceeds of the bonds, with the exception of accrued interest, if any, received from the purchaser or purchasers of the bonds and a further sum equal to interest which will accrue on the bonds during the construction period (as estimated by the engineer), which sums are required by Section 4.02 hereof to be deposited in the Sinking Fund. The moneys in the Construction Fund shall be held in trust and applied to the payment of the costs of the project in accordance with and subject to the provisions of this Article, and, pending such application, shall be subject to a lien and charge in favor of the holders of the bonds issued and outstanding under this Indenture and shall be held for the further security of such holders until paid out as herein provided.

Section 7.02 The Board covenants and agrees that prior to the awarding of any contract for the construction of the Project or any part thereof, it will deposit or cause to be deposited in the Construction Fund, from sources other than bond proceeds and from sources and in a manner that will not jeopardize the security pledged to the payment of the principal of and the interest on the bonds, such amount of its own funds as will assure payment of the cost of constructing that portion of the dining-kitchen facilities required to accommodate the students not housed in the dormitory portion of the project.

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

(a) obligations incurred for labor and to contractors, builders and materialmen in connection with the construction of the project;

(b) the interest accruing upon the bonds prior to the commencement of and during the construction of the Project;

(c) the fees and expenses of the depository or depositories of the Construction Fund during construction, and premiums on insurance in connection with the Project during construction, unless such insurance during construction is carried by the respective contractors and builders pursuant to the terms of their respective construction contracts;

(d) fees and expenses of engineers and architects for surveys and estimates and other preliminary investigations, preparation of plans, drawings and specifications and supervising construction, as well as for the performance of all other duties of engineers and architects in relation to the construction of the Project or in connection with the issuance therefor;

(e) expense of administration properly chargeable to the Project, legal expenses and fees, financing charges, advertising expenses, cost of printing bonds, cost of audits and of issuing the bonds and all other items of expense not elsewhere in this Section specified, incident to the construction of the Project in operation, specifically including any expenses (estimated to cost \$8,300.00) which may be incurred by the Housing and Home Finance Agency of the United States Government in supervising and inspecting the work appertaining to the development of the Project and of auditing the books, records, and accounts pertaining to the Project as set forth in Section 8 of a certain Loan Agreement between the Board and the United States of America, dated as of July 1, 1952, authorized and approved by the Executive Committee of the Board at a meeting held on July 18, 1952;

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

Section 7.04 Before any payment shall be made by any depository from the Construction Fund, there shall be filed with such depository, a requisition for such payment signed by the President and Comptroller of the

University of Kentucky, acting for that purpose as agents of the Board, stating each amount to be paid, the name of the person, firm or corporation to whom payment is due, and the purpose for which the obligation was incurred, and certifying:

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

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

(3) that in so far as any obligation mentioned in such requisition was incurred for work, materials, supplies or equipment in connection with the construction of the project, such work was actually performed, or such materials, supplies or equipment was actually delivered or installed at the site of the Project for that purpose, or delivered for fabrication at a place approved by the President of the University and by the engineer or architect having supervision of the construction of the Project;

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

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

Section 7.06 When the project shall have been completed and equipped and opened for use and occupancy, a certificate to that effect shall be signed by the President and Comptroller of the University and by the engineer or architect having supervision of construction of the Project so stating, accompanied by an opinion of legal counsel that an examination of the appropriate public records reveals no uncanceled liens or claims of liens of mechanics, laborers, contractors or materialmen with respect to the Project, and that, in the opinion of such legal counsel, the time within which such liens (whether legally permissible or not) can be filed, has expired. Any balance remaining in Construction Fund after the filing of such certificate and opinion with the Board and not necessary in the opinion of the Board to be reserved by it for the payment of any remaining part of the costs of the Project shall be deposited with the Trustee to the credit of the Sinking Fund, and, except for any portion of such balance remaining

under \$1,000.00 shall forthwith be used by the Trustee for the redemption of bonds then outstanding under this Indenture, and in accordance with the redemption provisions set forth in said bonds and in this Indenture. The Trustee may take such action to redeem outstanding bonds as soon as redemption is legally permissible after the transferring of moneys from the Construction Fund to the Sinking Fund, and without specific authorization on the part of the Board; but the Trustee shall in any event report its actions in this connection promptly to the Board and to the President of the University.

ARTICLE EIGHT

SUPPLEMENTAL INDENTURES

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

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

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

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

Section 8.03 Any and every such supplemental indenture entered into as required or permitted by the provisions of this Article, may be simultaneously executed in any number of counterparts, and all such counterparts executed and delivered each as an original shall constitute but one and the same instrument.

ARTICLE NINE

REMEDIES

Section 9. 01 No coupon which in any way before, at, or after maturity shall have been transferred or pledged separate and apart from the bond to which it appertains shall, unless accompanied by such bonds, be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of all bonds and of all coupons not so transferred or pledged. In case the time for the payment of any coupon shall be extended, whether or not such extension be by or with the consent of the Board, such coupon shall not be entitled in case of default hereunder to the benefit or security of this Indenture except subject to the prior payment in full of the principal of all bonds then outstanding and of all coupons the time for the payment of which shall not have been extended.

Section 9. 02 Each of the following events is hereby declared an "event of default", that is to say: If

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

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

(c) the Board shall discontinue or unreasonably delay or fail to carry on with reasonable dispatch the construction of the Project; or

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

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

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

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

Section 9.03 Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the bonds then outstanding shall, by a notice in writing to the Board, declare the principal of all the bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the bonds or in this Indenture to the contrary notwithstanding; provided, however, that if at any time after the principal of the bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Indenture, moneys shall have accumulated in the Sinking Fund sufficient to pay all arrears of interest, if any, upon all the bonds then outstanding (except the interest accrued on such bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the bonds or in this Indenture (other than a default in the payment of the principal of such bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

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

Section 9.04 Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than fifteen per centum (15%) in principal amount of the bonds then outstanding hereunder shall proceed, subject to the provisions of Section 9.08 of this Indenture, to protect and enforce its rights and the rights of the bondholders under the laws of the Commonwealth of Kentucky or under this Indenture by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest or otherwise under any of the provisions of this Indenture or of the bonds and unpaid with interest on overdue payments at the rate or rates of interest specified in such bonds, together with any

and all costs and expenses of collection and of all proceedings hereunder and under such bonds, without prejudice to any other right or remedy of the Trustees or of the bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys in the Sinking Fund and the income of the Project and the proceeds of the use fees pledged to the payment of the bonds by this Indenture) in any manner provided by law, the moneys adjudged or decreed to be payable.

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

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

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

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

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

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

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

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

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of such moneys with the banks or trust companies at which the bonds shall be payable, or otherwise setting aside such moneys, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Board, to any bondholder or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee.

Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the holder of any unpaid coupon or any bond until such coupon or such bond shall be surrendered to the Trustee for appropriate endorsement.

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

Section 9.07 Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the bonds then outstanding hereunder shall have the right, subject to the provisions of Section 9.08 of this Indenture, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to bondholders not parties to such direction.

Section 9.08 No holder of less than all of the bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder unless such holder

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

Section 9.09 All rights of action under this Indenture or under any of the bonds secured hereby, enforceable by the Trustee or by the holder of the bonds, may be enforced by the Trustee or by such holder without the possession of any of the bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto. Any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such bonds and coupons, subject to the provisions of this Indenture.

Section 9.10 No remedy herein conferred upon or reserved to the Trustee or to the holders of the bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.11 No delay or omission of the Trustee or any holder of the bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this article to the Trustee and the holders of the bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

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

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

ARTICLE TEN

RELEASE AND DISCHARGE OF INDENTURE

Section 10.01 Whenever the Board shall pay or cause to be paid, the principal and interest due and to become due upon all the bonds hereby secured and then outstanding, or shall provide for full payment thereof by depositing with the Trustee hereunder, for the discharge of such bonds and coupons, the entire amount due and to become due thereon for principal and interest, and shall, in case of redemption of all of the outstanding bonds, deliver to the Trustee proof satisfactory to it that notice of redemption of all of the outstanding bonds has been duly given, or a written instrument executed by the Board under its corporate seal and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the Board, together with the moneys necessary to pay the cost of giving such notice, and shall pay the Trustee in full for all services rendered by it hereunder, and all lawful claims accruing to it by virtue of this instrument, and shall well and truly keep and perform all of the things herein required to be kept and performed by it, according to the true intent and meaning of this Indenture, then and in that event these presents and the trust hereby created shall cease and terminate, and future payments from the revenues hereby pledged of the Trustee shall thereupon cease, terminate and become void, except as to the moneys deposited for payment of principal and interest due or to become due on said bonds and coupons which shall be held by the Trustee and shall be applied by said Trustee to the payment of such bonds and coupons upon the presentation and surrender thereof. Any deposit of money with the Trustee for the purpose of paying and sufficient in amount to pay certain of the bonds and interest due and to become due thereon, or certain of the coupons appertaining thereto, shall discharge the liability of the Board on the bonds and/or coupons for payment of which such deposit shall be made, and thereafter such bonds and coupons shall not be entitled to any of the benefits of this Indenture, and in case of full payment of all the bonds and coupons and the discharge of all other obligations on the part of the Board, as herein provided, or in case of the deposit of a sufficient sum of money for the full payment of the bonds and coupons, and the discharge of all other obligations on the part of the Board, as herein provided, the Trustee, in either case, if the Trustee first shall have received:

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

- (2) An opinion of counsel (who may be of counsel for the Board) stating that in his opinion the conditions precedent to the release and discharge of this Indenture have been complied with,

shall execute and deliver to the Board on demand, at the cost and expense of the Board, all proper instruments that may be necessary to evidence the satisfaction and termination of this Indenture.

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

Section 10.03 The satisfaction and discharge of this Indenture pursuant to Sections 10.01 and 10.02 of this Article shall be without prejudice to the right of the Trustee to be paid any compensation then due it hereunder and to be protected and saved harmless by the Board from any and all losses, liabilities, costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any bond issued hereunder, and the Board hereby covenants to protect and save the Trustee harmless from any and all such losses, liabilities, costs and expenses incurred in acting under this Indenture, except such as may be caused by the gross negligence or willful default of the Trustee.

ARTICLE ELEVEN

CONCERNING THE TRUSTEE

Section 12.01 The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions:

- (a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it, by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trust hereof and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof and the Board covenants and agrees to repay upon demand all such outlays and expenditures so incurred.
- (b) The Trustee shall not be responsible for any recitals herein or in said bonds, or for insuring the project or collecting any insurance moneys or for the execution of this Indenture or of any supplemental indenture or instrument of further assurance or for the validity

thereof or for the affixing or cancellation of any revenue stamps, or for the sufficiency of the security for the bonds issued under or intended to be secured hereby, or for the value or title of the Board to any of the project, or for the payment of or for keeping down taxes, charges, assessments or liens upon the same, or otherwise as to the maintenance of the security hereof; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Board contained herein; but the Trustee may require of the Board full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the project.

- (c) All moneys received by the Trustee under any provision of this Indenture shall, until used or applied as provided in this Indenture, be held in trust for the purpose for which such moneys were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall not be obligated to pay interest on such moneys, save such as it shall agree to pay thereon. Holders of bonds and/or coupons shall not be entitled to interest on funds deposited for payment of such bonds and/or coupons. The Trustee may become the owner of bonds and coupons secured hereby with the same rights which it would have if not Trustee.
- (d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and the Trustee shall not be bound to recognize any person as a holder of any bond or coupon or to take any action at his request unless such bond or coupon shall be deposited with the Trustee, or submitted to it for inspection. Any action taken by the Trustee pursuant to this Indenture, upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any bond secured hereby, shall be conclusive and binding upon all future owners of the same bond and upon bonds issued in exchange therefor or in place thereof.
- (e) The Trustee shall not be compelled to do any act hereunder, or to take any action toward the execution or enforcement of the trusts hereby created or to prosecute or to defend any suit in respect hereof, unless indemnified to its satisfaction against loss, cost, liability and expense.
- (f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Board signed by the Chairman and attested by the Secretary as sufficient evidence of the facts therein contained, and shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may, in its discretion, at the reasonable expense of the Board, in every case secure such further evidence as it may think necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary of the Board, under its corporate seal, to the effect that a resolution in the form therein set forth has been adopted by the Board, or its Executive Committee, as conclusive evidence that said resolution

- has been duly adopted, and is in full force and effect. The Trustee may in relation to this Indenture act upon the opinion or advice of any attorney, valuator, surveyor, engineer, accountant, or other expert, whether retained or selected by the Trustee, the Board, or otherwise, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.
- (g) The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be within the discretion or power conferred upon it by this Indenture or be responsible for the consequences of any oversight or error of judgment, and the Trustee shall be answerable only for its own acts, receipts, neglects and defaults, and not for those of any person employed and selected with reasonable care, nor for any loss unless the same shall happen through willful neglect or gross negligence.
- (h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the holders of at least five per cent (5%) in principal amount of the bonds hereby secured and then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of such Trustee.
- (i) At any and all reasonable times, the Trustee and its duly authorized agents, attorneys, experts, engineers, architects, accountants and representatives, shall have the right fully to inspect any and all of the project, including all books, papers and contracts of the Board and University, and to take such memoranda from and in regard thereto as may be desired.
- (j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.
- (k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any bonds, the withdrawal of any cash, the release of any property or securities, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, and by the Trustee deemed desirable for the purpose of establishing the right of the Board to the authentication of any bonds, the withdrawal of any cash, or the taking of any other action by the Trustee. The Trustee shall not be required, except as otherwise herein provided, to authenticate any bonds, permit the withdrawal of any cash, or take any other action if at the time there exists to its knowledge any default in respect of any of the covenants, agreements or provisions of this Indenture.

Section 12.02 The Trustee shall have a first lien hereunder upon the pledged funds for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the

exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense of defending against any liability in the premises of any character whatsoever, and the Board hereby covenants and agrees to pay unto the Trustee reasonable compensation for its services in the premises as well as all advances, counsel fees and other expenses reasonably made or incurred in and about the execution of the trusts hereby created. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of a trustee of an express trust.

Section 12.03 The Trustee may at any time resign and be discharged of the trusts hereby created by mailing written notice to the Board or to the President of the University and to each registered owner of bonds specifying the day upon which such resignation shall take effect, and thereafter, unless all outstanding bonds are registered as to principal, causing notice thereof to be published in a daily newspaper of general circulation at the time published in the City of Louisville, Kentucky, once each week for three (3) consecutive weeks prior to the date upon which such resignation shall take effect; and such resignation shall take effect upon the day specified in such notice unless previously a successor Trustee shall have been appointed by the bondholders or the Board in the manner hereinafter provided in Section 12.05 of this Article and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

Section 12.04 The Trustee may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Trustee and to the Board, and signed by the holders of a majority in principal amount of the bonds hereby secured and then outstanding.

Section 12.05 In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in principal amount of the bonds hereby secured and then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized; provided nevertheless, that in case of any such event the Board by an instrument executed by order of its Board of Trustees, and signed by the Chairman, and attested by the Secretary, under its corporate seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the bondholders in the manner above provided; and any such temporary Trustee so appointed by the Board shall immediately and without further act be superseded by the Trustee so appointed by such bondholders. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank of the character specified in Section 5.09 hereof.

Section 12.06 Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Board, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estate, properties, rights, powers, and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it to its successor. Should any deed, conveyance or instrument in writing from the Board be required by any successor for more fully and certainly vesting in such

Trustee the estates, rights, powers and duties hereby vested or intended to be vested, in the predecessor Trustee, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board.

ARTICLE THIRTEEN

MISCELLANEOUS PROVISIONS

Section 13.01 In case the principal of any of the bonds shall not be punctually paid when due at maturity, whether by declaration or lapse of time, and/or in case any installment of interest thereon shall not be punctually paid when due, then upon deposit with or receipt by the Trustee of moneys sufficient to pay such overdue principal and/or installments of interest (together with moneys sufficient to pay interest due and to become due thereon up to the date when interest upon such overdue principal and/or installment or installments of interest shall cease as herein provided), interest on such overdue principal and/or installment or installments of interest thereon shall cease to accrue one week after the mailing of notice, stating that said moneys have been so deposited or received, to each registered owner of bonds, or if all of the outstanding bonds are not registered as to principal, then one week after the date of publication by the Board of such notice in a daily newspaper of general circulation published in the City of Louisville, Kentucky, and in a financial publication published in the Borough of Manhattan, City and State of New York. A copy of such notice shall be delivered by the Board to the Trustee prior to the mailing or publication thereof and the Trustee shall mail a copy of such notice to registered owners of bonds, but notwithstanding failure so to mail such notice, in case of the publication thereof, interest shall nevertheless cease to accrue as above provided.

Section 13.02 (a) In the event that any bond issued hereunder shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof, the Board having deposited with the Trustee in trust for the purpose, or left with it if previously so deposited, funds sufficient to pay the principal of such bond together with all interest due thereon to the date of the maturity of such bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the holder thereof, then and in every such case, interest on said bond or on said unpaid coupon, and all liability of the Board to the holder of said bond for the payment of the principal thereof and interest thereon or to the holder of said unpaid coupon for the payment thereof and interest thereon, as the case may be, shall forthwith cease, determine and be completely discharged; and thereupon it shall be the duty of the Trustee to hold the funds, so deposited in trust, for the benefit of the holder of such bond or unpaid coupon, as the case may be, who shall thereafter, as long as the funds deposited or left on deposit for the payment thereof shall remain on deposit with the Trustee, be restricted exclusively to said funds for any claim of whatsoever nature on the part of such holder under this Indenture or on said bond or any coupons appertaining thereto, or on said unpaid coupon.

(b) In case the holder of any bond or coupon shall not within six (6) years after such bond or coupon, as the case may be, shall have become due and payable, and funds for the payment thereof shall have been deposited with the Trustee, claim the amount deposited pursuant to subsection

(a) of this Section for the payment thereof, or in case the holder of any bond or coupon shall not, within six (6) years after the deposit or receipt of moneys under Section 13.01 of this Article, claim the amount so deposited, the Trustee shall upon demand pay over to the Board such amount so deposited if the Board is not at the time in default hereunder to the knowledge of the Trustee. The Trustee shall be free from any and all liability or responsibility for money so paid over by the Trustee and the Board shall be liable to the holder of such bond or coupon only to the extent of the funds so returned to it.

Section 13.03 Except as in this Section otherwise expressly provided, the holders of seventy-five per cent (75%) or more in principal amount of the bonds at any time outstanding shall have the power, by an instrument or instruments in writing signed by such holders in person or by their duly authorized agents or attorneys or by a committee constituted by an agreement to which any portion of the bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or alteration of this Indenture or any indenture supplemental hereto or the rights and obligations of the Board under this Indenture or of the holders of bonds and coupons issued under this Indenture in any particular, approved by the Board, including without limitation by reason of the foregoing (1) release from the statutory mortgage lien of any part of the project covered thereby, and (2) waiver of any default and of any rights arising by reason of any default under any of the provisions of the Indenture; and any action herein authorized to be taken with the assent or authority, given as aforesaid of the holders of seventy-five per cent (75%) or more in principal amount of the bonds at the time outstanding shall be binding upon the holders of all of the bonds then or from time to time thereafter outstanding under the Indenture as fully as though such action were specifically and expressly authorized by the terms of the Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Board to pay the principal of and interest on the bonds at the respective dates and at the places and in the respective amounts, as provided in the bonds, (b) shall give to any bond or bonds secured by the Indenture any preference over any other bond or bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the said statutory mortgage lien upon any of the property subject to such statutory mortgage lien, (d) shall deprive any bondholder of the security afforded by this Indenture, or (e) shall reduce the percentage required by the provisions of this Section for any action under this Section. Any modification of the provisions of the Indenture, made as aforesaid, shall be set forth in a supplemental indenture between the Trustee and the Board in the manner provided in Article Seven.

Section 13.04 Whenever in this Indenture the holders of a percentage or fraction of the bonds or of the principal amount of the bonds, or the bonds outstanding, are given or granted any power, right or authority to do any act or thing, and/or to direct or consent that any act or thing be done in respect of this Indenture the bonds secured hereby and/or the funds pledged hereunder, or property subject to the statutory mortgage lien, such percentage or fraction in each case shall be exclusive of bonds owned by the Board, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Board, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction or consent, only bonds which the Trustee knows are so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding for the purposes of this Section, if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such bonds and that

the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with the Board. In case of a dispute as to such right any decision of the Trustee taken upon the advice of counsel shall be full protection to the Trustee, and the Trustee may accept a certificate of the Chairman and Treasurer as to the amount of the bonds held directly or indirectly by or for the benefit of the Board, and shall be liable to no one for acting in reliance thereon.

Section 13.05 Whenever in this Indenture any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Board, or by or on behalf of the Trustee shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

Section 13.06 Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the parties hereto and the holders of the bonds and of coupons, any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions in this Indenture contained, by or on behalf of the Board, shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the bonds and of coupons.

Section 13.07 The Board and the Trustee agree, and each holder or owner of any bond or coupon by his acceptance thereof shall be conclusively deemed to have agreed, that any court may in its discretion require in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any bondholder, or group of bondholders, holding in the aggregate more than ten per cent (10%) in principal amount of the bonds outstanding, or to any suit instituted by any bondholder for the enforcement of the payment of the principal of or interest on any bond, on or after the respective due dates expressed in such bond.

Section 13.08 Any request, declaration or other instrument required or permitted by this Indenture to be signed and executed by bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such attorney, and of the holding by any person of bonds transferable by delivery or interest coupons shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee as against the person signing such request and all future holders of the bonds held by such person and otherwise hereunder with regard to due action taken by the Trustee under such request or other instrument, if made in the following manner:

The fact and date of the execution by any person of any such request or other instrument or writing may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the place where such acknowledgment is

taken, that the person signing such request or other instrument acknowledged to him the execution thereof, or by any affidavit of a witness to such execution.

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

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

Section 13.09 The descriptive headings of the various Articles of this Indenture were formulated, used and inserted in this Indenture for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 13.10 This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The date of actual execution of this Indenture shall be the date of execution by the Trustee.

ARTICLE FOURTEEN

IDENTIFICATION OF THE PROJECT

Section 14.01 The "Project" as defined in Section 1.01 hereof and as referred to throughout this Indenture, is hereby identified as a new dormitory building and all appurtenances thereto, to be constructed by the Board pursuant to plans and specifications prepared by John F. Wilson, Architect, Lexington, Kentucky, upon a portion of the campus of the University in or adjacent to the City of Lexington, Fayette County, Kentucky, described as follows:

Beginning at a point two hundred twenty six and four tenths (226.4) feet southwest of the northeast property line of the University of Kentucky (said property line being also the city limits of the City of Lexington), which point is twenty five (25) feet southeast of the center of Rose Street in the City of Lexington, Fayette County, Kentucky; thence in a southwesterly direction with the University of Kentucky property line (said property line being also the city limits of the city of Lexington), parallel to Rose Street, a distance of two hundred twenty one (221) feet; thence at right angles in a southeasterly direction, parallel to the Dairy Products Building Driveway, a distance of three hundred eighty five (385) feet; thence at right angles in a northeasterly direction, parallel with Rose Street, a distance of two hundred forty two (242) feet; thence at right angles in a northwesterly

direction, parallel to the Dairy Products Building Driveway, a distance of one hundred thirty nine (139) feet; thence at right angles in a southwesterly direction, parallel to Rose Street, a distance of twenty one (21) feet; thence at right angles in a northwesterly direction, parallel to the Dairy Products Building Driveway, a distance of two hundred forty six (246) feet to the point of beginning; being part of the same property conveyed to the Agricultural and Mechanical College of Kentucky by the Clifton Heights Land Company, by deed dated September 14, 1898, of record in Deed Book 114, page 245, in the office of the Fayette County Clerk.

IN WITNESS WHEREOF, the party of the first part has caused its corporate name to be hereunto subscribed by the Chairman of its Board of Trustees and its corporate seal to be hereto affixed, and said seal to be attested and this Indenture to be countersigned by the Secretary of its Board of Trustees, and said Farmers Bank and Capital Trust Company to evidence its acceptance of the trusts hereby created and vested in it, has caused its corporate name to be hereunto subscribed by its President or by one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal to be attested and this Indenture to be countersigned by its Trust Officer, all as of the day and year first above written, but actually on this _____ day of _____ 1952.

BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

By _____
Chairman

(SEAL)

ATTEST:
Countersigned:

Secretary

WITNESSES TO THE EXECUTION HEREOF
BY SAID BOARD OF TRUSTEES:

FARMERS BANK AND CAPITAL TRUST COMPANY

By _____

(SEAL)

ATTEST:
COUNTERSIGNED:

WITNESSES TO THE EXECUTION HEREOF
BY SAID TRUSTEE:

STATE OF KENTUCKY)
) SS
COUNTY OF FAYETTE)

On this _____ day of _____, 1952, before me, _____, a Notary Public in and for said county in the state aforesaid, appeared _____ and _____ to me personally known and to me known to be the Chairman and Secretary, respectively, of Board of Trustees of the University of Kentucky, one of the corporations described in and which executed the within and foregoing instrument and who being by me severally duly sworn each for himself did say that he, the said _____ is the Chairman of said Board of Trustees, and he, the said _____ is the Secretary of said Board of Trustees of _____; that the seal affixed to the within and foregoing instrument is the corporate seal of said corporation, that said instrument was executed, signed and sealed in behalf of said corporation by authority of its Board of Trustees; and said _____ and _____ each acknowledged the execution of said instrument to be and said instrument to be the free and voluntary act and deed of said corporation by it voluntarily executed.

WITNESS my hand and notarial seal this _____ day of _____, 1952.

Notary Public in and for the county
and state aforesaid.

My commission expires _____.

(End of Form of Indenture)

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

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

Adopted by the Executive Committee of the Board of Trustees of the University of Kentucky at a meeting held on the _____ day of _____, 1952.

Chairman, Executive Committee of
the Board of Trustees of the University
of Kentucky

(SEAL)

ATTEST:

Secretary

and moved that all rules be suspended and that said proposed resolution, sale and delivery of dormitory revenue bonds of 1952 be adopted, which motion was duly seconded by Member H. D. Palmore; and, said motion having been duly considered the Chairman of the Executive Committee put the question, and upon roll being called the following voted aye: Harper Gatton, H. D. Palmore, Guy A. Huguelet - nay: None.

Whereupon, the Chairman of the Executive Committee declared the said motion duly carried and said resolution, sale, and delivery of bonds duly adopted.

Y. Appointments and Other Staff Changes.

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

COLLEGE OF ARTS AND SCIENCES

Appointments

Ruth M. Earnest, Secretary, Department of Geology, effective October 1, 1952. Miss Earnest was formerly an accountant in the Comptroller's Office.

Mrs. Mary Anne Good, Secretary, School of Journalism, effective October 1, 1952.

Andrew F. Spear, Jr., Part-time Instructor, Department of Physics, effective September 1, 1952.

Dorothy A. Dearner, Secretary, Department of Anthropology, (part-time), effective September 16, 1952.

Charles Ray Mayes, Instructor, Department of History, effective September 1, 1952.

Joe Mainous, Coach of Debating, Department of English, Speech and Dramatic Arts, effective September 1, 1952. Mr. Mainous is to take Dr. Blyton's place while he is on leave of absence.

Lois K. Eckel, Half-time Clerk-Stenographer, Department of Sociology, effective September 11, 1952.

A. Dudley Roberts, Practicum Consultant, Department of Psychology, re-appointed September 1, 1952.

Jessie Irvine, reappointed Practicum Supervisor, Department of Psychology, effective September 1, 1952.

William Bristow Jones, Visiting Lecturer, Department of English, Speech, and Dramatic Arts, for 5 months, effective September 1, 1952.

Margaret Todd Brown, Secretary, Department of Geography, effective September 15, 1952.

William O. Shropshire, Instructor, Department of Physics, effective September 15, 1952. (Reappointment)

John Paul Runden, Instructor, Department of English, Speech and Dramatic Arts, for 5 months, effective September 1, 1952.

Mrs. Thelma D. Schenck, Clerk-Stenographer, Office of the Dean of the College of Arts and Sciences, effective September 1, 1952.

Robert J. Reithel, reappointed Instructor, Department of Physics, effective September 1, 1952.

Daniel Jacobson, Instructor, Department of Geography, effective September 1, 1952.

James A. Shear, Assistant Professor, Department of Geography, effective September 1, 1952.

Louis A. Rayburn, appointed Part-time Instructor, Department of Physics, effective September 1, 1952.

Jack W. Marken, Instructor, Department of English, Speech and Dramatic Arts, for five months, effective September 1, 1952.

Mrs. Thelma E. Rice, Secretary, Department of Modern Foreign Languages, effective September 1, 1952.

Rosco Brong, Part-time Instructor, Department of Ancient Languages, for four months, effective October 1, 1952.

Juanita Jane Spindler, Secretary, Department of Political Science, effective October 8, 1952.

Irving A. Gail, Psychiatric Consultant, Department of Psychology, effective September 1, 1952.

David S. Byrd, Part-time Instructor, Department of Chemistry, effective October 1, 1952.

Robert Godfrey, Half-time Instructor, Department of English, Speech and Dramatic Arts, effective September 1, 1952.

H. B. Wood, Laboratory Technician, reappointed, Kentucky Geological Survey, effective October 1, 1952.

Betty Sue Clear, Secretary, Department of Library Science, effective October 6, 1952.

Jack J. Monroe, Practicum Supervisor, Department of Psychology, effective October 1, 1952.

Salary Adjustments

William E. McCubbin, Director of Intramurals, Department of Physical Education, adjustment in salary, effective August 1, 1952.

Elizabeth Ann Bicknell, Part-time Secretary, made Full-time Secretary, with adjustment in salary, effective October 1, 1952.

Roger Potts, Draftsman, Kentucky Geological Survey, adjustment in salary, for three months, effective October 1, 1952.

Sherman B. Vanaman, Part-time Instructor, Department of Mathematics and Astronomy, adjustment in salary (September through January), effective September 1, 1952.

Howard Burnette, Part-time Instructor, Department of Mathematics and Astronomy, adjustment in salary (September through January), effective September 1, 1952.

Ralph C. Brown, Part-time Instructor, Department of Mathematics and Astronomy, adjustment in salary (September through January), effective September 1, 1952.

John B. Wells, Jr., Part-time Instructor, made Instructor, with adjustment in salary, effective October 1, 1952. (Department of Mathematics and Astronomy).

Donald Fryxell, Part-time Instructor, adjustment in salary, for five months, effective September 1, 1952.

R. C. Sutherland, Jr., Graduate Assistant, made Part-time Instructor, with adjustment in salary, effective September 1, 1952.

Barbara M. Boyer, Speech Therapist, given duties as Secretary of the Speech and Hearing Clinic, with adjustment in salary, effective September 1, 1952.

Resignations

Mrs. Shirlee J. Leathers, Secretary, School of Journalism, effective September 30, 1952.

Homer Holt Givin, Jr., Part-time Instructor, Department of Physics, effective September 1, 1952.

Peggy Dolores Stumbo, Research Assistant, Department of Botany, effective September 30, 1952. Miss Stumbo will be a Graduate Assistant in the Botany Department.

Robert Allen Durr, Part-time Instructor, Department of English, Speech, and Dramatic Arts, effective September 1, 1952.

W. Keith Meyer, Part-time Instructor, Department of Chemistry, effective September 1, 1952.

Jean Lowe Ryan, Part-time Instructor, Department of Physics; effective September 1, 1952.

Dorothy Sherman Jenkins, Secretary, Department of Geology, effective September 30, 1952.

Edward F. Kline, Part-time Instructor, Department of Chemistry, effective October 1, 1952.

COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Appointments

Betty Gentry, Secretary, Public Information and Educational Aids, effective September 2, 1952.

Wilbur Gibbons, Animal Caretaker, Department of Animal Industry, effective September 8, 1952.

Marie A. Clarke, Clerk-Stenographer, Department of Feed and Fertilizer, effective September 15, 1952.

Wilmer Browning, Assistant County Agent, Hart County, effective September 2, 1952.

Priscilla G. Roser, Home Demonstration Agent, Madison County, effective October 1, 1952.

Evelyn S. Kelley, Clerk, Department of Home Economics, effective October 2, 1952.

George Miller, Fire Warden, Robinson Substation, effective October 1, 1952.

Lena Bates Bell, Clerk-Stenographer, Department of Animal Husbandry, effective October 1, 1952.

Freda D. Elam, Stenographer, Department of Agronomy, effective October 6, 1952.

Karen Kennedy Marvin, Assistant Instructor, Nursery School, effective October 1, 1952.

Phyllis Jean Evans, Clerk-Stenographer, Agricultural Extension, effective October 7, 1952.

June Papania, Clerk, Department of Entomology and Botany, effective November 1, 1952.

Marjory Keller, Clerk-Stenographer, Department of Entomology and Botany, effective November 1, 1952.

Salary Adjustments

Leo A. Link, Assistant in Agronomy, made Assistant Agronomist, effective October 1, 1952, with adjustment in salary.

Helen Kay Hunt, Laboratory Technician, Department of Animal Industry, adjustment in salary, effective October 1, 1952.

Lilyan Shelton, Secretary, Home Demonstration, adjustment in salary, effective July 1, 1952. Miss Shelton was put on full-time basis.

Ward W. Bauder, Rural Sociologist, adjustment in salary, effective October 1, 1952.

Lawrence Willis, Tractor Operator, made Assistant Farm Foreman, Department of Farm Maintenance, with adjustment in salary, effective September 1, 1952.

Barbara Masters, Clerk, Fayette County, Agricultural Extension, adjustment in salary, effective October 1, 1952 through June 30, 1953.

Nancy W. Dillehay, Clerk, Fayette County, Agricultural Extension, adjustment in salary, effective October 1, 1952 through June 30, 1952.

Garland M. Bastin, Superintendent of Dairy Center, adjustment in salary, effective November 1, 1952.

Mayme M. Hinson, Secretary, Department of Markets and Rural Finance (formerly stenographer), adjustment in salary, effective October 1, 1952.

Change in Status

George D. Corder, County Agent, made Field Agent in Agronomy, effective September 1, 1952.

Marie Mason, Assistant in Rural Sociology, made Technical Assistant in Rural Sociology, with adjustment in salary, effective November 1, 1952. This constitutes a change from full-time to half-time employment.

Leaves of Absence

C. E. Barnhart, Assistant Professor in Animal Husbandry, granted sabbatical leave, October 16, 1952 to March 15, 1953, in order to complete his doctor's thesis.

Thelma Meredith, Home Demonstration Agent, Johnson County, returned from leave, September 16, 1952.

Ernest J. Nesiuis, Economist in Farm Economics, extension of leave to continue work with State Department as Agricultural Economics analyst in Vienna, Austria, effective November 16, 1952 to November 15, 1953.

Wendell C. Binkley, Assistant Economist in Agricultural Marketing, granted sabbatical leave in order to get his Ph. D. degree at Vanderbilt University, effective September 16, 1952, to June 30, 1953.

Resignations

Mrs. Sallie P. Satterly, Home Demonstration Agent, Carter County, effective September 20, 1952.

Doris L. Collins, Clerk-Stenographer, Department of Agronomy, effective August 31, 1952.

Carl K. Bjork, Assistant Chemist, Department of Feed and Fertilizer, effective September 10, 1952.

Mrs. Emily Baker, Instructor, Department of Home Economics, effective August 30, 1952.

Patricia Lawson, Home Demonstration Agent, Hardin County, effective October 31, 1952.

Jewell King White, Stenographer, Department of Agronomy, effective October 31, 1952.

Mary Louise Willhite, Assistant Home Demonstration Agent in Training, Shelbyville, effective August 31, 1952.

Martha Frances Raby, Assistant Home Demonstration Agent in Training, Lexington, effective August 31, 1952.

Flint Sizemore, Fire Warden, Robinson Substation, effective September 30, 1952.

Mary Elizabeth Jenkins, Clerk-Stenographer, Agricultural Extension, effective October 4, 1952.

Milton Noble, Junior Forester, Robinson Substation, effective September 15, 1952.

Dorothy Frances Courtney, Clerk-Typist, Department of Markets and Rural Finance, effective September 11, 1952.

Elizabeth A. Swift, Assistant Chemist, Department of Feed and Fertilizer, effective September 30, 1952.

William R. Downs, Field Agent in Cream Grading, effective October 20, 1952.

Elizabeth K. Ford, Assistant Instructor, Home Economics, effective October 3, 1952.

Mrs. Priscilla C. Roser, Home Demonstration Agent, Richmond, effective October 31, 1952.

COLLEGE OF LAW

Leave of Absence

Alvin E. Evans, Dean Emeritus, granted leave for the academic year 1952-53, to enable him to act as Dean of the St. Louis University Law School.

COLLEGE OF EDUCATION

Appointments

Mary Elizabeth Jenkins, Secretary, School Administration, effective October 6, 1952.

Mrs. Nadine Combs Clem, Secretary, Instruction and Placement, effective September 22, 1952.

Wilma Elsa Thornton, Typist-Clerk, Bureau of School Service, effective October 1, 1952.

C. Howard Eckel, Associate Professor, Educational Administration, effective September 1, 1952.

Mary L. Howell, Typist-Clerk, Bureau of School Service, effective September 16, 1952.

Russell L. Bliss, Clerk-Typist, Bureau of School Service, effective October 22, 1952.

Resignation

Mary Lee Higgs, Secretary, School Administration, effective October 6, 1952.

COLLEGE OF COMMERCE

Appointments

Mrs. Ann Moss, Assistant Secretary, Bureau of Business Research, effective September 16, 1952.

Change in Rank

Charles Lockyer, Research Assistant, made Instructor, effective September 1, 1952, for one semester.

COLLEGE OF PHARMACY

Appointments

Carl Ernest Beck, Assistant Professor, effective September 1, 1952.

GRADUATE SCHOOL

Scholars -- Appointed for 1952-53

John Bunyan Clark, Jr.
Ellen Mauldin Drake
Jerome Herman Laulicht

Scholars -- Resigned

Nancy Pitman Ferguson
Joe D. Cason, Jr.
Antonio Angel Le nuzza

UNIVERSITY LIBRARIES

Appointments

Mrs. Nettie R. Zachary, Biological Sciences Librarian, effective September 19, 1952.

Mrs. Alvina W. Brower, Art and Music Librarian, effective September 22, 1952.

Virginia Claire Wright, Account Clerk, effective October 1, 1952.

Jean Ann Stanicek, Secretary to the Director of Libraries, effective October 1, 1952.

June Egbert Heaton, Typist, effective October 1, 1952.

Mildred Allen Moore, Engineering Librarian, effective September 22, 1952.

Melahat Bedri Ahiskali, Half-time Typist, effective September 29, 1952.

Martha Joan McCoy, Pharmacy Librarian, effective September 18, 1952.

Mary Louise Evans, Assistant, Reference Department, effective September 22, 1952.

Salary Adjustments

Dorothy Elizabeth Long, Assistant Reference Librarian, adjustment in salary, effective October 1, 1952.

Louise Hill Matchett, Typist, adjustment in salary, effective October 1, 1952.

Leave of Absence

Norma Cass, Reference Librarian, granted leave for a period of twelve months, effective October 4, 1952. Miss Cass has been requested to serve as Professor of Library Science at Keio University, Tokyo, Japan.

Resignations

Maria P. Bizzoni, Typist, effective August 31, 1952.

Roberta Keith Spicer, Typist, effective September 8, 1952.

Mrs. Agatha Parks, Account Clerk, effective October 4, 1952.

Mrs. Hazel H. Farris, Secretary to the Director, effective September 30, 1952.

UNIVERSITY EXTENSIONAppointments

Viola Cook, Secretary and Assistant Bookkeeper, effective September 8, 1952.

Helen Stainton, Bookkeeper-Clerk, effective September 15, 1952.

Edwin E. Freshney, Instructor in Commerce, Northern Extension Center, for ten months, effective September 1, 1952.

Bobby Lou Brooks, Librarian and Secretary to Faculty, Northern Extension Center, effective September 1, 1952.

Salary Adjustments

C. Perry Martin, Instructor in Mathematics, Northern Extension Center, adjustment in salary, effective September 1, 1952.

Annabel Walden, promoted to Secretary, with adjustment in salary, effective October 1, 1952.

Dorothy Woodhouse, Secretary-Bookkeeper, adjustment in salary, effective October 1, 1952.

Resignations

Mrs. Betsy Nantz, Bookkeeper, effective October 14, 1952.

Miss Emily Talbott, Secretary, effective August 31, 1952. Miss Talbott is accepting a position with the Athletic Department of the University.

OFFICE OF THE DEAN OF STUDENTS

Appointments

Maggie M. Stewart, Housemother, Pi Kappa Alpha, effective September 1, 1952.

Anna Pauline Goose, Housemother, Alpha Tau Omega, effective November 1, 1952.

Resignations

Mrs. Stella Deschler, Housemother, Alpha Tau Omega, effective August 31, 1952.

Ida Azbill Hardesty, Housemother, Pi Kappa Alpha, effective June 30, 1952.

OFFICE OF THE DEAN OF WOMEN

Appointments

Nell W. Hammond, Housemother, Hamilton House, effective September 1, 1952.

Mrs. Bernice B. Hays, Housemother, Alpha Xi Delta, effective September 1, 1952.

Mrs. Ingeborg Haagensen, Housemother, Alpha Delta Pi, effective September 1, 1952.

Mrs. Elizabeth M. Bright, Housemother, Kappa Alpha Theta, effective September 1, 1952.

Resignations

Mrs. Louella Harrison, Assistant Dietitian, Women's Residence Halls, effective October 1, 1952.

Mrs. Robert Henry, Housemother, Hamilton House, effective June 30, 1952.

UNIVERSITY HEALTH SERVICE

Leave of Absence

Allen Ed Crowe, Head of Laboratory, granted leave, due to illness, effective November 5, 1952.

Resignation

Mary Nunn, Registered Nurse, effective October 31, 1952.

REGISTRAR'S OFFICE

Appointments

Polly G. Vicars, Clerk, effective September 12, 1952.

Charlann Carroll, Admissions Clerk, effective September 10, 1952.

Resignations

Marjorie Sue Miller, Clerk, effective September 12, 1952.

UNIVERSITY PERSONNEL OFFICE

Appointments

Mary Anna Parker Watson, Test Assistant, effective September 15, 1952.

Marcia Whidden Donald, Test Assistant, effective November 1, 1952.

Resignations

Kathryn P. White, Test Assistant, effective September 11, 1952.

Mary Anna Parker Watson, Test Assistant, effective October 31, 1952.

UNIVERSITY PRESS

Salary Adjustment

Katherine Lehman, Secretary, adjustment in salary, effective September 1, 1952.

UNIVERSITY Y. M. C. A.

Appointment

Mary Friend Fitzgerald, Office Secretary, effective September 1, 1952.

COMPTROLLER' s OFFICE

Appointments

William Wesner, Accountant, effective October 1, 1952.

Arthur Paul Nestor, Purchasing Supervisor, effective October 13, 1952.

Resignation

Madge Walters, Senior Bookkeeping Machine Operator, effective September 17, 1952.

Transfer

Ruth Earnest, Accountant, transferring to the Department of Geology, effective October 1, 1952.

STUDENT UNION COMMONS

Appointments

Margaret J. Hess, Bookkeeper, Student Union Commons, effective September 1, 1952.

Mary Jo Humpston, Assistant Director, Student Union Commons, effective September 10, 1952.

Mrs. Marie E. Fortenbery, Director, University Commons, for twelve months, effective November 17, 1952.

STUDENT UNION COMMONS

Salary Adjustments

Julia Ann Baird, Assistant Manager, Wildcat Grill, adjustment in salary, effective September 1, 1952.

Edith Sparks, Manager, Dormitory Grill, adjustment in salary, effective September 1, 1952.

Lawrence Roberts, Grill Manager, adjustment in salary, effective September 1, 1952.

Mary E. Nooe, Cashier and Inventory Clerk, Student Union Commons, adjustment in salary, effective September 1, 1952.

Lorraine Quigley, Assistant Manager, Dormitory Grill, adjustment in salary, effective September 1, 1952.

Elizabeth Gault, Assistant Director, Student Union, Commons, adjustment in salary, effective September 1, 1952.

Della Adams, Manager, Wildcat Grill, adjustment in salary, effective September 1, 1952.

Mrs. Ethelyn E. Adams, Assistant Director, Student Union Commons, adjustment in salary, effective September 1, 1952.

Resignation

Lula Rebecca Morriss, Assistant Director, Student Union Commons, effective September 30, 1952.

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

Z. Adjournment.

Upon motion duly made, seconded and carried, the meeting of the Board of Trustees was adjourned at 2:40 p. m.

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