

# Irregularities

Minutes of the Board of Trustees of the University of Kentucky,  
April 7, 1959.

The Board of Trustees of the University of Kentucky met in the President's Office at 9:15 a. m. , CST, Tuesday, April 7, 1959, with the following members present: Governor A. B. Chandler, Chairman; Dr. Ralph J. Angelucci, Dr. Paul Hall, Wood Hannah, Sr. , Ben Butler, Clifford E. Smith, R. P. Hobson, J. Stephen Watkins, Robert H. Hillenmeyer, Floyd H. Wright and Dr. William C. Wilson. Absent: Mrs. Paul G. Blazer, Robert R. Martin, Harper Gatton and W. F. Foster. Vice President Leo M. Chamberlain and Secretary Frank D. Peterson met with the Board of Trustees.

A. Welcome to New Members.

The Board extended a cordial welcome to the new members of the Board of Trustees, Mr. Robert H. Hillenmeyer, who was appointed for a term expiring December 31, 1962, to take the place of Louis Cox, whose term expired December 31, 1958; Mr. Floyd H. Wright, appointed for a term expiring December 31, 1962, who was appointed to take the place of Mr. Robert C. Stilz, whose term expired December 31, 1958; and Dr. William C. Wilson, who was appointed to fill the unexpired term of Dr. Daniel C. Elkin, deceased. Mr. Hillenmeyer, Mr. Wright and Dr. Wilson took the oath of office before the meeting started.

B. Approval of Minutes.

The minutes of the Board of Trustees of December 9, 1958; and the minutes of the Executive Committee of January 16, 1959 and February 20, 1959, were approved as published.

C. Financial Report.

Mr. Peterson submitted financial report for the period ended March 31, 1959. He read the following statement and report.



April 7, 1959

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

Dear Doctor Dickey:

I am submitting herewith the Financial Report of the University of Kentucky for the nine-months period ended March 31, 1959. This report contains a balance sheet and related financial statements which present a complete financial picture of the period for all funds of the University.

The current General Fund budgetary operations for the period reflect income realized for educational and general purposes in the amount of \$12,662,783.14, or 96.1% of the budget estimate of \$13,180,701.63. The expenditures, including encumbrances outstanding, amount to \$9,429,817.41. This represents 73.3% of the total General Fund Appropriation of \$12,863,940.57.

Respectfully submitted,

Frank D. Peterson  
Vice President  
Business Administration

University of Kentucky  
Balance Sheet  
March 31, 1959

ASSETS

I. Current Funds		
A. General-		
Cash in Bank	\$1,015,305.56	
Available Balance, State Appropriations	1,588,591.65	
Cash on Deposit, State Treasurer	1,561,297.14	
Inventories	280,308.61	
Deferred Charges	52,666.20	
Unrealized Income	572,822.17	
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Total General		\$5,070,991.33
B. Restricted-		
Cash in Bank	\$ 667,098.31	
Petty Cash Advances	15,618.46	
Investments	1,597,805.20	
		<hr/>
Total Restricted		2,280,521.97
Total Current Funds		<u>\$7,351,513.30</u>
II. Loan Funds:		
Cash in Bank	\$ 716.18	
Notes Receivable	66,643.37	
Investments	54,500.00	
		<hr/>
Total Loan Funds		<u>\$ 121,859.55</u>
III. Endowment Funds:		
Cash in Bank	\$ 8,280.50	
Investments	226,360.35	
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Total Endowment Funds		<u>\$ 234,640.85</u>

University of Kentucky  
Balance Sheet  
March 31, 1959

LIABILITIES

I. Current Funds:		
A. General-		
Reserve for Dept. Req' s.	\$	651,535.50
Reserve for Inventories		280,308.61
Reserve for Aux. Enterprises		43,921.00
Other Liabilities		52,666.20
Appropriation Balance		3,635,868.10
Unappropriated Surplus-		
Division of Colleges	\$219,441.55	
Medical Center	4,390.09	
Agr. Exp. Station	182,860.28	
		406,691.92
Total General		\$5,070,991.33
B. Restricted-		
Outstanding Check Liability	\$	6,415.94
Restricted Funds Balances		2,274,106.03
		2,280,521.97
Total Restricted		2,280,521.97
Total Current Funds		\$7,351,513.30
II. Loan Funds:		
Principal Balances	\$	79,241.81
Expendable Balances		42,617.74
		121,859.55
Total Loan Funds		\$ 121,859.55
III. Endowment Funds:		
Principal Balances	\$	228,242.41
Expendable Balances		6,398.44
		234,640.85
Total Endowment Funds		\$ 234,640.85

University of Kentucky  
Balance Sheet  
March 31, 1959

ASSETS

IV. Plant Funds:

A. Unexpended Plant Funds-

Available Bal., State Appro' s.	\$ 6,282,913.15
Cash on Deposit, State Treas.	<u>2,126,096.99</u>

Total Unexpended Plant Funds	\$ 8,409,010.14
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B. Retirement of Indebt. Funds-

Cash in Bank	\$ 13,128.66
Cash on Deposit, State Treas.	281,060.13
Cash on Deposit, Trustee	212,866.24
Investments	98,394.38
Unrealized Income	<u>64,074.45</u>

Total Retirement of Indebted- ness Funds	669,523.86
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C. Invested in Plant-

Land	\$ 3,070,630.43
Buildings	35,144,243.25
Equipment	10,737,148.03
Construction in Progress	<u>11,069,386.25</u>

Total Invested in Plant	<u>60,021,407.96</u>
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Total Plant Funds	<u><u>\$69,099,941.96</u></u>
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V. Agency Funds:

Cash in Bank	\$ 171,993.98
Investments	<u>16,403.88</u>

Total Agency Funds	<u><u>\$ 188,397.86</u></u>
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University of Kentucky  
Balance Sheet  
March 31, 1959

LIABILITIES

IV. Plant Funds:		
A. Unexpended Plant Funds-		
Reserve for Plant Req' s.	\$ 6,660,599.85	
Plant Appro. Balance	<u>1,748,410.29</u>	
Total Unexp. Plant Funds		\$ 8,409,010.14
B. Retirement of Indebtedness Funds-		
Funds Balances	\$ 669,523.86	
Total Retirement of In- debtedness Funds		<u>669,523.86</u>
C. Invested in Plant-		
Bonds Payable	\$11,248,000.00	
Due to Other Govern. Units	1,950,000.00	
Net Investment in Plant	<u>46,823,407.96</u>	
Total Invested in Plant		<u>60,021,407.96</u>
Total Plant Funds		<u>\$69,099,941.96</u>
V. Agency Funds:		
Agency Funds Balances	\$ 188,397.86	
Total Agency Funds		<u>\$ 188,397.86</u>

University of Kentucky  
Statement of Unrealized Income  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	<u>GENERAL FUND</u>		<u>INCOME</u>	
	<u>Estimated</u>	<u>Realized</u>	<u>Unrealized</u>	
I. Educational and General:				
A. Student Fees-				
Incidental Fees and Tuition	\$ 1,405,000.00	\$ 1,243,379.60	\$	161,620.40
Training School Fees	31,000.00	28,096.67		2,903.33
Adult and Extension Ed. Fees	102,000.00	100,674.55		1,325.45
Total Student Fees	<u>\$ 1,538,000.00</u>	<u>\$ 1,372,150.82</u>	<u>\$</u>	<u>165,849.18</u>
B. State Appropriations-				
Division of Colleges	\$ 5,639,000.00	\$ 5,639,000.00	\$	
Medical Center	438,400.00	236,990.00		201,410.00
Geological Projects	183,300.00	183,300.00		
Agr. Experiment Station	804,000.00	804,000.00		
Agr. Extension Service	931,000.00	931,000.00		
Total State Appropriations	<u>\$ 7,995,700.00</u>	<u>\$ 7,794,290.00</u>	<u>\$</u>	<u>201,410.00</u>
C. Federal Grants-				
Division of Colleges	\$ 142,177.60	\$ 111,194.21	\$	30,983.39
Agr. Experiment Station	868,893.50	868,893.50		
Agr. Extension Service	1,955,811.03	1,955,811.03		
Total Federal Grants	<u>\$ 2,966,882.13</u>	<u>\$ 2,935,898.74</u>	<u>\$</u>	<u>30,983.39</u>
D. Endowment Income	\$ 10,119.50	\$ 9,437.50	\$	682.00
E. Sales & Services of Educational Departments-				
Division of Colleges	\$ 20,000.00	\$ 16,756.46	\$	3,243.54
Agricultural Experiment Station	650,000.00	535,602.16		114,397.84
Total Sales and Services of Educational Departments	<u>\$ 670,000.00</u>	<u>\$ 552,358.62</u>	<u>\$</u>	<u>117,641.38</u>
F. Returned Checks	\$	\$ (1,352.54)	\$	1,352.54
Total Education and Gen.	<u>\$13,180,701.63</u>	<u>\$12,662,783.14</u>	<u>\$</u>	<u>517,918.49</u>
II. Service Enterprises:				
Post Office	\$ 4,000.00	\$ 9,936.72	\$	(5,936.72)*
III. Auxiliary Enterprises:				
Men's Residence Halls	\$ 202,074.00	\$ 191,544.35	\$	10,529.65
Women's Residence Halls	402,861.00	352,550.25		50,310.75
Total Auxiliary Enterprises	<u>\$ 604,935.00</u>	<u>\$ 544,094.60</u>	<u>\$</u>	<u>60,840.40</u>
Total General Fund Income	<u>\$13,789,636.63</u>	<u>\$13,216,814.46</u>	<u>\$</u>	<u>572,822.17</u>

\*Realized in excess of estimate  
(Negative figure)



University of Kentucky  
Statement of Departmental Appropriations  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	Departmental Appropriation	Expenditures	Encum- brances	Balance
I. Educational and General:				
A. Gen. Admin. Offices	\$ 188,587.91	\$ 133,037.26	\$ 1,858.00	\$ 53,692.65
B. General Expenses-				
Student Services	\$ 308,268.99	\$ 218,581.36	\$ 5,614.63	\$ 84,073.00
Staff Welfare	98,000.00	70,055.12		27,944.88
Gen. Insti. Services	160,727.32	99,960.12	28,891.57	31,875.63
Total Gen. Exp.	\$ 566,996.31	\$ 388,596.60	\$ 34,506.20	\$ 143,893.51
C. Instruction and Dept. Research -				
College of Agr. and Home Economics	\$ 401,170.24	\$ 288,573.78	\$ 3,345.01	\$ 109,251.45
College of Arts and Sciences	2,093,798.64	1,535,063.85	18,086.67	540,648.12
College of Commerce	260,967.46	188,528.70	763.86	71,674.90
College of Education	474,048.50	340,090.75	7,402.73	126,555.02
College of Engineering	574,308.18	393,299.01	7,546.79	173,462.38
College of Law	125,690.00	86,953.93	1,803.50	36,932.57
College of Medicine	276,808.00	109,161.34	3,062.43	164,584.23
College of Pharmacy	93,612.52	61,285.15	1,784.32	30,543.05
Graduate School	20,746.02	15,419.15	106.20	5,220.67
Univ. Extended Programs	364,636.42	\$ 264,724.79	\$ 4,890.91	\$ 95,020.72
Total Instruction and Departmental Res.	\$4,685,785.98	\$3,283,100.45	\$ 48,792.42	\$1,353,893.11
D. Activities Relating to Educa. Depts.	\$ 50,701.35	\$ 35,485.97	\$ 2,750.90	\$ 12,464.48
E. Organized Research-				
University Research	\$ 177,985.38	\$ 120,401.32	\$ 18,338.44	\$ 39,245.62
Agr. Exp. Station	2,282,779.77	1,545,530.23	115,283.73	621,965.81
Total Org. Research	\$2,460,765.15	\$1,665,931.55	\$ 133,622.17	\$ 661,211.43
F. Extension and Pub. Serv. -				
Univ. Extension & Pub. lic Services	\$ 370,478.02	\$ 184,208.26	\$ 120,824.61	\$ 65,445.15
Agr. Extension Serv.	2,886,811.03	2,044,288.62	30,343.92	812,178.49
Total Extension & Public Service	\$3,257,289.05	\$2,228,496.88	\$ 151,168.53	\$ 877,623.64

(continued on following page)

University of Kentucky  
Statement of Departmental Appropriations  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	Departmental Appropriation	Expenditures	Encum- brances	Balance
G. Libraries	\$ 459,324.82	\$ 341,431.37	\$ 6,838.20	\$ 111,055.25
H. Operation & Maint. of Physical Plant	\$ 1,194,490.00	\$ 864,264.47	\$ 109,936.44	\$ 220,289.09
Total Educational and General	\$12,863,940.57	\$8,940,344.55	\$ 489,472.86	\$3,434,123.16
II. Service Enterprises: Post Office	\$ 26,080.00	\$ 18,736.06	\$ 51.30	\$ 7,292.64
III. Auxiliary Enterprises:				
Men's Residence Halls	\$ 200,138.32	\$ 178,480.61	\$ 37,239.50	\$ (15,581.79)
Women's Residence Halls	396,253.37	285,330.83	14,257.17	96,665.37
Total Auxil. Enterprises	\$ 596,391.69	\$ 463,811.44	\$ 51,496.67	\$ 81,083.58
IV. Student Aid	\$ 3,600.00	\$ 1,320.00	\$	\$ 2,280.00
V. Working Capital	\$ 75,000.00	\$ (132,135.84)	\$ 82,229.85	\$ 124,905.99
VI. Clearing Accounts	\$ 11,953.51	\$ 23,270.48	\$ 2,500.30	\$ (13,817.27)
VII. Debt Service-Bonds Re- tired	\$ 43,060.00	\$ 43,060.00	\$	\$
VIII. Debt Service-Reserve Funds	\$ 6,256.50	\$ 6,256.50	\$	\$
Total Departmental Appropriations	\$13,626,282.27	\$9,364,663.19	\$ 625,750.98	\$3,635,868.10

(negative figure)

University of Kentucky  
Statement of Plant Fund Appropriations  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	Plant Approp- riations	Expenditures	Encum- brances	Balance
<b>I. Unexpended Plant Funds:</b>				
Men's New Dormitory	\$ (200.51)	\$ (44,982.00)		\$ 44,781.49
Holmes Hall-Univ. Appro.				
Holmes Hall-Bond Proceeds	52,544.51	52,544.51		
Phi Delta Theta House	10.55	10.55		
Shawneetown Apartments	10,553.00	3,053.00	7,500.00	
College of Pharmacy Bldg.	11,393.98			11,393.98
Swine Barn	11,163.37	11,163.37		
Medical School	286,507.96	254,812.66	1,056.69	30,638.61
Med. School Fed. Grant	75,000.00			75,000.00
Med. School Libr. Acq. & Sup.	100,000.00	90,537.06		9,462.94
Med. Sci. Bldg.	545,573.66	318,472.97	1,128.33	225,972.36
Alpha Tau Omega House	150,000.00	291.16	135,000.00	14,708.84
Northern Extension Center	35,300.00	26,592.39		8,707.61
Western Extension Center	25,000.00	18,031.02		6,968.98
Agr. Exp. Station-Projects	46,555.20	26,701.84	15,555.00	4,298.36
Med. Center Ht. & Cool. Pl.	3,279,561.00	1,051,731.93	1,054,930.00	1,172,899.07
Southeastern Ky. Ext. Cent.	27,270.00	19,044.10	13,032.77	(4,806.87)
Med. Sci. Bldg. Equip. -Admin.	40,000.00	3,311.92	28,540.80	8,147.28
Women's Dorm., Arch. Serv.			32,200.00	(32,200.00)
Men's New Dormitory	1,800,000.00		1,627,562.36	172,437.64
<b>Total Unexp. Plant Funds</b>	<b>\$6,496,232.72</b>	<b>\$1,831,316.48</b>	<b>\$2,916,505.95</b>	<b>\$1,748,410.29</b>
<b>II. Retirement of Indebt. Funds:</b>				
<b>A. Debt Service Fund-</b>				
1st P. W. A. Bond Issue	\$ 37,554.00	\$ 1,291.90		\$ 36,262.10
2nd P. W. A. Bond Issue	18,414.16	18,317.51		96.65
Dorm. Rev. Bond Issue	24,980.25	2,962.50		22,017.75
Aud. -Field House Issue	63,720.78	58,041.00		5,679.78
Libr. -Service Bldg. Issue	75,677.75	35,890.00		39,787.75
Stad. Add. Revenue Issue	20,225.53	20,193.27		32.26
Dorm. Rev. Bond Issue (456 Rose St.)	5,875.45	4,115.65		1,759.80
Journ. Bldg. Issue	28,235.75	12,883.75		15,352.00
Dorm. Rev. Issue (476 Rose)	5,051.43	2,922.50		2,128.93
Dorm. Rev. Bonds of 1953-				
Stu. Dorms. -U of K	45,498.48	3,693.74		41,804.74
Stu. Dorms. -Kappa Sigma	4,302.90	1,846.87		2,456.03
Stu. Dorms. -Lambda Chi Alpha	5,244.79	1,846.88		3,397.91
Stu. Dorms. -Phi Sigma Kappa	3,737.88	1,846.88		1,891.00
Stu. Dorms. -Pi Kappa Alpha	4,863.41	1,846.88		3,016.53
Dorm. Rev. Bonds-1952	60,702.00	17,683.75		43,018.25
Dorm. Rev. Bonds-1954	31,902.50	10,400.64		21,501.86
Dorm. Rev. Bonds-1955	176,943.50	45,413.10		131,530.40
Dorm. Rev. Bonds-1956				
Six Sororities	51,578.00	20,672.50		30,905.50
<b>Balances Carried Forward</b>	<b>\$ 664,508.56</b>	<b>\$ 261,869.32</b>		<b>\$ 402,639.24</b>

(negative figure)

University of Kentucky  
Statement of Plant Fund Appropriations  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	Plant Approp- riations	Expendi- tures	Encum- brances	Balance
<b>Balances Brought Forward</b>	\$ 664,508.56	\$ 261,869.32	\$	\$ 402,639.24
Dormitory Revenue Bonds- 1956-Reserve	12,500.00			12,500.00
Dormitory Revenue Bonds- 1956 (338 Clifton Avenue)	8,386.00	3,175.00		5,211.00
Dormitory Revenue Bonds- 1956 (Holmes Hall)	48,197.50	15,752.92		32,444.58
Dormitory Revenue Bonds- 1956-(Shawneetown)	59,438.00	59,290.00		148.00
Dormitory Revenue Bonds- 1957-(468 Rose St.)	8,331.00	6,200.00		2,131.00
<b>Total Debt Service Fund</b>	<b>\$ 801,361.06</b>	<b>\$ 346,287.24</b>	<b>\$</b>	<b>\$ 455,073.82</b>
<b>B. Sinking Fund Reserves with Trustee:</b>				
Dormitory Revenue Bonds- 1952-Reserve	\$ 81,808.00	\$	\$	\$ 81,808.00
Dormitory Revenue Bonds- 1954-Reserve	43,457.00			43,457.00
Dormitory Revenue Bonds- 1956-Reserve (Holmes Hall)	59,243.72	44,000.00		15,243.72
Dormitory Revenue Bonds- 1956-Reserve (Shawneetown)	139,941.32	66,000.00		73,941.32
<b>Total Sinking Fund Re- serves with Trustee</b>	<b>\$ 324,450.04</b>	<b>\$ 110,000.00</b>		<b>\$ 214,450.04</b>
<b>Total Retirement of In- debtedness Funds</b>	<b>\$1,125,811.10</b>	<b>\$ 456,287.24</b>	<b>\$</b>	<b>\$ 669,523.86</b>
<b>Total Plant Fund Ap- propriations</b>	<b>\$7,622,043.82</b>	<b>\$2,287,603.72</b>	<b>\$2,916,505.95</b>	<b>\$2,417,934.15</b>

University of Kentucky  
Statement of Other Fund Transactions  
For the Current Fiscal Period Which Began  
July 1, 1958 and Ended March 31, 1959

	<u>Balances</u> July 1, 1958	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Balances</u> Mar. 31, 1959
<u>Restricted Funds:</u>				
Funds Balances	\$2,483,804.90	\$5,350,978.49	\$5,560,677.36	\$2,274,106.03
<u>Loan Fund:</u>				
Principal	\$ 73,424.81	\$ 5,817.00	\$	\$ 79,241.81
Expendable	40,609.19	2,160.98	152.43	42,617.74
Subtotal	\$ 114,034.00	\$ 7,977.98	\$ 152.43	\$ 121,859.55
<u>Endowment Funds:</u>				
Principal	\$ 226,642.41	\$ 1,600.00	\$	\$ 228,242.41
Expendable	5,542.78	855.66		6,398.44
Subtotal	\$ 232,185.19	\$ 2,455.66	\$	\$ 234,640.85
<u>Agency Funds:</u>				
Balances	\$ 102,267.53	\$1,028,895.16	\$ 942,764.83	\$ 188,397.86
Combined Totals	<u>\$2,932,291.62</u>	<u>\$6,390,307.29</u>	<u>\$6,503,594.62</u>	<u>\$2,819,004.29</u>

Members of the Board being advised, on motion duly made, seconded and carried, the report was authorized received and put to record.

D. Contract with the Board of Agriculture Approved.

Mr. Peterson submitted contract with the Board of Agriculture which provides for the Experiment Station to make diagnostic tests in connection with the live stock program in the State, the Commissioner of Agriculture having agreed to transfer the sum of \$25,000 to the Experiment Station to pay for expenses in connection with the program. Mr. Peterson explained that the contract, as drawn, set up \$20,000, with the understanding that an additional \$5,000 might be available. Commissioner Butler, being present, concurred in the fact that another \$5,000 would be available. Mr. Peterson recommended approval of the contract, based upon a transfer of \$25,000.

Upon motion duly made, seconded and carried, the contract was authorized amended and executed.

E. Contract with the Kentucky Tourist Commission Approved.

Mr. Peterson submitted contract providing for payment of \$7,500 by the Kentucky Tourist Commission to the University of Kentucky for doing research and preparing a report concerning attractions for tourists and vacationers. The work will be done by the University Bureau of Business Research. The College of Commerce, Bureau of Business Research, the Division of Parks, the Department of Conservation and the Department of Wild Life Resources will cooperate in the study as requested by the Bureau of Business Research. Mr. Peterson recommended that the contract be approved.

Upon motion duly made, seconded and carried, the contract was approved and authorized executed on behalf of the University.

F. Contract between the University of Kentucky, Agricultural Experiment Station, and Mr. Emery A. Horn.

Mr. Peterson submitted agreement between the University of Kentucky and Mr. Emery A. Horn for a research project in testing a known dwarf herd of beef cattle. Mr. Horn will furnish from ten to twenty beef cows that have produced dwarf calves. They will remain in the care of the University for a period of time sufficient to conduct the tests. The University will feed and care for the cattle throughout the tests. Both parties will share the calves produced from the cows tested on the basis of one-third to the University and two-thirds to the owner of the cattle. The tests will run for a period of three years. The University will not be held responsible in case of loss of cows and calves not due to negligence.

Mr. Peterson recommended approval of the contract, and upon motion duly made, seconded and carried, the contract was authorized executed on behalf of the University.

G. American Cyanamid Company Contract Approved.

Mr. Peterson submitted contract between the American Cyanamid Company and the University of Kentucky Agricultural Experiment Station. The Station will study potential compounds used in the control of bloat, and the location of compounds that will have effects on stable froth formation and the possible alleviation of bloat. The American Cyanamid Company agrees to contribute \$2,000 toward the expenses of the tests.

Mr. Peterson stated that he had studied the contract and had the recommendation of Dean Welch, Dr. W. P. Garrigus and Dr. Don R. Jacobson. He recommended approval.

Upon motion duly made, seconded and carried, the contract was approved and authorized executed.

H. Sigma Chi Fraternity Contractual Arrangements Approved.

Mr. Peterson reported that the Sigma Chi fraternity desired to make available to the University without cost to the University a site located at the corner of Woodland and Hilltop Avenues, on which a small dormitory (fraternity house) would be constructed according to plans and specifications approved by the University. He stated that the fraternity would pay to the University the cost of the site, which is now in the name of the University. The fraternity house corporation will construct a building that will cost approximately \$135,000 and that will meet the University's approval in every way. When the house is completed, the University will issue revenue bonds not to exceed \$150,000, acquire title to the property and enter into a lease agreement with the Sigma Chi fraternity whereby the fraternity will occupy the house and pay an annual rental sufficient to amortize the bond issue, pay the interest and keep the property insured.

The Sigma Chi fraternity, desiring to do the contracting and construction work prior to acquisition by the University, requests that an irrevocable offer to purchase be submitted, which arrangement has been approved by the State Property and Building Commission, Frankfort, Ky. The request and recommendation were discussed, and upon motion duly made, seconded and carried, the Vice President, Business Administration, was authorized, with the approval of the State Property and Building Commission, to issue an irrevocable offer to purchase the building when constructed according to plans and specifications to house not more than 48 nor fewer than 40 boys, with a housemother, in accordance with plans and specifications approved by the University.

The Vice President, Business Administration, was authorized to accept payment from the Sigma Chi fraternity or the Sigma Chi House Corporation, representing the purchase price of the site at the corner of Woodland and Hilltop avenues, the site to be 90 feet on Hilltop Avenue and 153 feet frontage on Woodland Avenue. The application was authorized made to the Housing and Home Finance Administration, Atlanta, Georgia, for a loan sufficient to acquire the property, but not to exceed \$150,000, and to do any and all necessary acts to consummate the agreement.

#### I. Alpha Gamma Rho Agreement Approved.

Mr. Peterson stated that the House Corporation of the Alpha Gamma Rho fraternity had asked the University to construct a house on property at 460 Clifton Avenue. The Alpha Gamma Rho fraternity agrees to pay purchase price of \$21,000 for the lot, 90 feet frontage on Clifton Avenue and 153 feet on Woodland Avenue. The building is to house 44 to 48 boys and a housemother, and will cost \$135,000, the total not to exceed \$150,000. It was explained that it would cost approximately \$15,000 for site preparation, legal counsel fees, financing charges in connection with the sale of the bonds, architect's fees, and interest during construction.

Members of the Board discussed the request, and on motion duly made, seconded and carried, Mr. Peterson, Vice President, Business Administration, was authorized to proceed and consummate the purchase of the site by the house corporation of Alpha Gamma Rho and have plans and specifications prepared by an architect. He was further authorized to process application of a loan from the Housing and Home Finance Agency of the Federal Government.

#### J. Budget Adjustments.

Mr. Peterson recommended a request of Dean Frank J. Welch for transfer of \$22,500 from the Agricultural Experiment Station Revolving Fund to Account 1677-2, Animal Industry account, to take care of an overdraft which was caused by the department overspending appropriated funds in the care of livestock.

The Vice President, Business Administration, also recommended transfer of \$200.00 from Unappropriated Surplus of the University Budget, Division of Colleges, to Account 520 for Foreign Language Conference. He explained that this increase was to take care of additional printing costs for the Foreign Language Conference.

Mr. Peterson also recommended appropriation of \$2,000 from the Haggin Fund to pay the cost of operating a summer workshop for English teachers. He stated that this money would be offered in the form of scholarships. He reported the University had experienced excellent results in operating the workshop during the past few years and that \$2,000 would permit the College of Arts and Sciences to offer 20 scholarships to English teachers attending the Workshop.



Members of the Board being advised, upon motion duly made, seconded and carried, the recommendations were approved and the necessary budget adjustments were authorized made.

K. Sale of Surplus Property.

Mr. Peterson reported the following list of property to be surplus to the needs of the Kentucky Geological Survey and recommended that he be authorized to sell the property:

- 1 filing cabinet: standard  $8\frac{1}{2}$  x 11 - 4 drawer
- 1 desk: metal 30 x 36 x 30 high; slant top
- 1 desk: wooden 60 x 36 by 30 high
- 1 filing cabinet, wooden, probably for odd size cards and of very little use.
- 2 670-15 4-ply tires
- 1 670-15 4-ply boot and break
- 2 710-15 4-ply tires.

Mr. Peterson also submitted a detailed list of worn-out equipment in the Princeton Substation and requested authority to sell all the property possible and to junk the other property on which no bids are received.

		REQUEST PERMISSION TO SELL
		(Already Removed from Inventory)
Inventory No.		Item
WK 228		Brooder, Simplex, oil - J
170, 171		
172		3 Brooders, coal - J
173, 174		
175, 176		4 Electric Brooders, canopy type
63		Disk, orchard, team - J
59		Drill, Superior, grain, 6 ft., team - J (junk)
Sta.		Transplanter, tobacco, Bemis - J (from Lex.)
181		Boiler, steam (junked)
179		Mower, Jari, power scythe (N. G.)
23, 31		2 Electric fans, 10 inch - J
137		Plow, Avery, 2-horse - J
164		Sink, milk room - J

201	Harrow, spring tooth - J
204, 205 206, 207	4 Scrapers, pond, team - Obsolete
163	Cream Separator
126	Corn Sheller, IHC

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## (Items Not Yet Removed from Inventory)

221	Grader - Terracer, Martin, 7 ft.
84	Loeder, hay
284	Duster, Niagara (W. D. A. item)
8	Typewriter, L. C. Smith #370675-8 (Val. \$2.50)
22	Typewriter, Royal #H-1741722 (Val. \$15.00)
133	1 #19 Oliver 2-H Plow
134	1 #19 Oliver 2-H Plow
212	1 Drill, Superior, grain, 7", team
162	Heater, oil, 7" burner
468	Cut-All Harrow (bush & bog), Avon Model L
165	Milk Cart, 2-wheel, DeLaval
389, 390	
391, 392	Nests, metal, roll-away
211	Seed Cleaner

## Old Items Not on Inventory to Be Junked and Sold

1	Mule-drawn Binder Truck
1	Pitcher Pump
1	Forge
1	Dump Rake, Team
1	Gasoline Pump
1	Holden Lime Spreader
4	Metal Roll-away Nests
1	Cotton Drill
1	Cotton Plow
1	Team Disc Harrow
1	Avery Hillside Plow

Upon motion duly made, seconded and carried, the request was approved and the property listed above authorized sold.

L. Fees Fixed for College of Medicine.

Mr. Peterson submitted recommendation for the establishment of registration and incidental fees for the College of Medicine beginning September, 1960. He stated that he was submitting a joint recommendation of Dr. Willard, Dr. Dickey, Dr. Chamberlain and himself for a fee of \$450.00 for Kentucky residents and a fee of \$800.00 for non-resident students for each academic year. Mr. Peterson submitted information to indicate that the resident fees for public medical schools would be somewhere between \$450.00 and \$500.00, and for non-resident students between \$800.00 and \$900.00. Members of the Board discussed the recommendation and asked questions concerning the fees charged by other institutions, and after a general discussion, upon motion duly made, seconded and carried, the registration and incidental fees for the College of Medicine for the academic year were fixed at \$500.00 for Kentucky residents and \$950.00 for non-resident students, effective September, 1960.

M. Sale of \$150,000 Revenue Bonds, 342 Clifton Avenue Sold.

The hour of 10:00 a. m., Central Standard Time, having already arrived for the consideration of the bid or bids on the \$150,000 of University of Kentucky Dormitory Revenue Bonds (342 Clifton Avenue) dated June 1, 1958, and the matter having been sufficiently considered, a motion was made by Dr. Ralph J. Angelucci and seconded by J. Stephen Watkins that all rules be suspended and that the following resolution be adopted:

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESS-  
FUL BID ON \$150,000 of UNIVERSITY OF KENTUCKY  
DORMITORY REVENUE BONDS (342 CLIFTON AVENUE)  
DATED JUNE 1, 1958.

WHEREAS, notice of sale of \$150,000 of University of Kentucky Dormitory Revenue Bonds (342 Clifton Avenue), dated June 1, 1958, has heretofore been given in strict compliance with law, with a designation of the newspaper by the Commissioner of Finance of Kentucky, and with the resolution of the Board of Trustees of the University, by publication in The Courier-Journal, a daily newspaper published in Louisville, Kentucky, and of general circulation throughout the Commonwealth of Kentucky, one time in each of three successive weeks, for the opening and consideration of purchase proposals for such bonds, such publication being hereby authorized, ratified and approved, and

WHEREAS, all bids received for such bonds have been duly considered and are as follows:

<u>Bidder</u>	<u>Interest Rate(s)</u>	<u>Amount per \$1000 Principal Amount of Bonds, Plus Ac- crued Interest from December 1, 1958</u>
1. Merrill Lynch, Pierce, Fenner & Smith, Inc., Louisville; Stein Bros. & Boyce, Louisville	4%, 1960 through 1971, inc., 4-1/4%, 1972 through 1986, inc., 4 1/2%, 1987 through 1998, inc.	\$1,000 plus interest. \$26.00 premium

<u>Bidder</u>	<u>Interest Rate(s)</u>	<u>Amount per \$1000 Principal Amount of Bonds, Plus Accrued Interest from December 1, 1958</u>
2. Bankers Bond Co., Louisville; Security & Bond Co., Lexington.	4-3/4%, 1960 through 1979; 5%, 1980 through 1998.	\$1000 plus interest.
3. Fox, Reusch & Co., Inc.; Pohl & Co., Inc., Cincinnati, Ohio.	4-1/4%, 1960, through 1972 inc.; 4 1/2%, 1973 through 1984, inc.; 4-3/4%, 1985 through 1998, inc.	\$1,000 plus interest \$10.00 premium

WHEREAS, the matter of which bid is the highest and best to the Board of Trustees of the University of Kentucky has been sufficiently considered,

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

Section 1. That the bid of Merrill Lynch, Pierce, Fenner and Smith, Inc., Stein Bros. & Boyce, both of Louisville, Ky., for the sale of said \$150,000 of University of Kentucky Dormitory Revenue Bonds (342 Clifton Avenue), dated June 1, 1958, be and is hereby accepted and confirmed by the Board of Trustees of the University of Kentucky, said bid being at a price of \$1000.1733 per \$1000 principal amount of bonds, plus accrued interest from December 1, 1958, with such bonds to bear interest at a rate or rates as follows: 4%, 1960 through 1971, inc., 4-1/4%, 1972 through 1986, inc., 4 1/2%, 1987 through 1998, inc. Said bid is hereby determined to be the highest and best bid to the Board of Trustees of the University of Kentucky for said bonds. The interest coupon rate or rates to maturity on all of said bonds is or are hereby fixed at such rate or rates as set out in said successful bid.

Section 2. That said bonds numbered 1 through 150, inclusive, shall be delivered by the Treasurer and/or other appropriate officials of the Board of Trustees of the University of Kentucky to such purchaser in accordance with the resolution authorizing said bonds, upon payment of the purchase price for same, and the proceeds of all of said bonds shall be used only as provided in said resolution authorizing said bonds.

Section 3. That the acceptance of such bid subjects the Board of Trustees to no liability if for any reason they are unable to obtain the unqualified final approving legal opinion of Skaggs, Hays & Fahey, Lawyers, of Louisville, Kentucky, but the purchaser shall not be required to take up said bonds without the unqualified final approving legal opinion of said lawyers accompanying said bonds.

Section 4. That all orders or parts thereof in conflict herewith be and they are hereby repealed to the extent of such conflict, and this resolution shall be in full force and effect from and after its adoption.

Upon motion having been duly considered, the Chairman of the Board of Trustees put the question, and upon the roll being called the following voted aye: Governor A. B. Chandler, R. P. Hobson, Dr. Ralph J. Angelucci, Ben Butler, Dr. Paul Hall, Wood Hannah, Sr., J. Stephen Watkins, Floyd Wright, Clifford Smith, Robert H. Hillenmeyer and Dr. William C. Wilson.

The following voted nay: None.

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

N. Resolution Authorizing and Providing for the Issuance, Sale and Delivery of Revenue Bonds Approved.

Mr. Robert P. Hobson introduced and caused to be read in full a proposed resolution entitled, "A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF UNIVERSITY OF KENTUCKY HOUSING BONDS OF 1958, OF THE UNIVERSITY OF KENTUCKY, TO PAY THE COSTS (NOT OTHERWISE PROVIDED) OF CONSTRUCTING AN ADDITIONAL MEN'S DORMITORY PROJECT UPON THE CAMPUS OF THE UNIVERSITY".

WHEREAS, the University of Kentucky and its students are not now being provided with adequate buildings for educational purposes, and in order to provide the same it is necessary that there be constructed an additional men's dormitory and appurtenances upon a site which is hereinafter described, and which is a part of the campus of the University, to be used as a housing facility for approximately five hundred seventy-five (575) male students and one (1) faculty director, 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 KRS 162.340 et seq., now in full force and effect, 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 costs of the said dormitory project and appurtenances, and

WHEREAS, the total cost of said dormitory project and appurtenances is estimated to be in excess of One Million Eight Hundred Thousand (\$1,800,000.00) Dollars, and

WHEREAS, it is necessary that the Board of Trustees provide at this time for the borrowing of a sum not to exceed One Million Eight Hundred

Thousand (\$1,800,000.00) Dollars, to provide, together with other available funds, for the estimated total cost thereof,

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

Section 1. It is hereby determined and declared that the proper accommodation of male students of the University of Kentucky for educational purposes requires that an additional men's dormitory, with necessary appurtenant facilities, to accommodate five hundred seventy-five (575) male students and one (1) faculty director, be constructed upon the campus of the University of Kentucky, at Lexington, Kentucky (the dormitory and appurtenant facilities to be hereinafter referred to as the "Project"). The plans and specifications of said Project, as prepared and submitted to this Board, are hereby approved in all respects.

Section 2. In order to provide for the payment of a portion 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, University of Kentucky Housing Bonds of 1958, in the aggregate principal amount of One Million Eight Hundred Thousand (\$1,800,000.00) Dollars, dated March 1, 1958, of the denomination of One Thousand (\$1,000.00) Dollars each, to be numbered consecutively from one (1) to eighteen hundred (1800), both numbers inclusive, bearing interest to be evidenced by coupons attached to each Bond at a rate or rates which, when averaged to maturity on the Bonds covered by the bid, shall not result in an average interest rate on such Bonds in excess of two and seven-eighths (2-7/8%) per cent per annum (the exact rate or rates to be determined at the time of the receipt and consideration of bids for the purchasing of said Bonds as hereinafter provided), payable on the first day of September, 1958, and semi-annually thereafter on the first days of March and September in each year until maturity. Said Bonds shall in all respects conform to, and be issued in accordance with, the provisions of the Trust Indenture referred to in Section 4 hereof. The Chairman and the Secretary of the Board of Trustees are hereby authorized and directed to execute said Bonds, and the Secretary is hereby authorized and directed to affix to each of said Bonds the corporate seal of the Board of Trustees. The interest coupons shall bear the facsimile signatures of said officers. 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 certificates, as provided in said Trust Indenture, including a certificate of the identity of the purchaser or purchasers of said Bonds, and the terms upon which the same may be delivered to said purchaser or purchasers.

Section 3. The Secretary of this Board is hereby authorized and directed to execute an appropriate form or forms of "Notice of Sale of Bonds", and cause the same to be published once a week for three (3) successive weeks, as required by law, in The Courier-Journal, a daily newspaper published in Louisville, Kentucky, and of general circulation throughout the Commonwealth of Kentucky, and one (1) time in The Bond Buyer, a financial newspaper published in New York, New York, of general circulation throughout the United States of America, soliciting sealed competitive

proposals for the purchase of said Bonds, the same to be received in the office of the Secretary of the Board of Trustees of the University on the campus of the University of Kentucky, Lexington, Kentucky, until some day and hour when the Board of Trustees, or its Executive Committee, will be in session. Publication in The Bond Buyer shall be made not less than two (2) weeks prior to the time stated in the said "Notice of Sale of Bonds", for the opening and consideration of such purchase proposals, and publication in the Louisville Courier-Journal of the said "Notice of sale of Bonds" shall be made in conformity with KRS 424.130 and 424.360. In said notice purchasers shall be instructed that proposals may be for the purchasing of (a) the entire One Million Eight Hundred Thousand (\$1,800,000.00) Dollars of authorized Bonds; or (b) Bonds maturing on March 1 in the years 1961 through 1973; or (c) Bonds maturing on March 1 in the years 1974 through 1988; or (d) Bonds maturing on March 1 in the years 1989 through 1998; that the bidders may stipulate one (1) or more interest coupon rates with respect to said Bonds, providing the average of such rates does not exceed two and seven-eighths (2-7/8%) per cent per annum, and only one (1) coupon rate may be stipulated for Bonds maturing on the same date. If a bid carries two (2) or more interest rates on a single block of Bonds, or on combined blocks of Bonds, an average interest rate shall be computed on the basis of the total interest costs at par for such single blocks, or combined blocks, covered by the bid at the offered rates; and if the average rate so obtained is not more than two and seven-eighths (2-7/8%) per cent, the bid shall be considered to qualify. A minimum bid of par value (plus accrued interest to date of delivery and payment) shall be required. The right to reject bids shall be expressly reserved. The Executive Committee of the Board of Trustees of the University of Kentucky is hereby authorized and empowered to consider all proposals made pursuant to such public notice, to award the Bonds in the manner and for the purposes herein provided, to establish the interest coupon rates which the Bonds shall bear, and to take all other necessary and proper steps in the sale and issuance of the said Bonds; all of which actions by the said Executive Committee are now approved and ratified.

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 the published notices, 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 purchase 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 & Capital Trust Company, a combined Bank and Trust Company having corporate trust powers, organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, and having its principal office and place of business in Frankfort, Franklin County, Kentucky, party of the second part. The Chairman and Secretary of the Board of Trustees are hereby authorized and directed to make, execute and deliver such Trust Indenture in substantially the form, text, terms and provisions hereinafter set out; and this Board of Trustees hereby approves, ratifies and confirms all of the covenants, provisions, and stipulations as set out in such Trust Indenture, to-wit:

TRUST INDENTURE

THIS INDENTURE, dated as of the first day of March in the year Nineteen Hundred and Fifty-eight (1958), made by and between BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, a body corporate, as a public educational institution of higher learning of the Commonwealth of Kentucky (hereinafter called the "Board"), party of the first part, and FARMERS BANK & 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 corporate trustee, and having its principal office and place of business in the City of Frankfort, Franklin County, Kentucky, as Trustee (hereinafter called the "Trustee"), party of the second part, --

WITNESSETH: That Whereas, pursuant to Section 164.160 of the Kentucky Revised Statutes now in full force and effect, the Board is a body corporate, with all powers generally vested in corporations, and as such is the governing body of the University of Kentucky, a public educational institution of higher learning 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 the Kentucky Revised Statutes now in full force and effect, the Board, as the governing body of the University of Kentucky, is authorized to erect buildings and appurtenances to be used in connection with the said institution for educational purposes, and

WHEREAS, the Board has determined that the said University and its students are not at this time provided with adequate buildings for educational purposes, and has determined that it is necessary to construct an additional men's dormitory with necessary appurtenant facilities (collectively referred to herein as the "Project"), said dormitory to be situated upon a site which is a part of the campus of said University in the City of Lexington, Fayette County, Kentucky, and which is hereinafter described and identified for the purpose of identifying the Project, and

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

WHEREAS, the Board of Trustees of the University of Kentucky has duly adopted an appropriate form of Resolution authorizing the issuance of "University of Kentucky Housing Bonds of 1958", dated March 1, 1958, 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 the Bond proceeds, and



WHEREAS, the coupon Bonds, the coupons appertaining thereto, the Trustee's certificate with respect to such Bonds, and provisions for the registration of said Bonds, are to be substantially in the forms following, with appropriate insertions, omissions and variations as in this Indenture provided or permitted:

(Form of Coupon Bond)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
UNIVERSITY OF KENTUCKY  
HOUSING BONDS OF 1958

No. \_\_\_\_\_

\$1,000.00

The Board of Trustees of the University of Kentucky, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner thereof, as hereinafter provided, the sum of \$1,000.00 on the first day of March, 19\_\_\_\_\_, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of \_\_\_\_\_ per centum (\_\_\_\_\_% ) per annum, such interest being payable on September 1, 1958, and semi-annually thereafter on the first days of March and September in each year, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable thereto, such interest as may accrue on and prior to the maturity 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 & Capital Trust Company, in the City of Frankfort, Franklin County, Kentucky, or, at the option of the holder or registered owner, at the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City of New York, State of New York.

This Bond is one of a duly authorized issue of Bonds in the aggregate principal amount of \$1,800,000.00, all of said Bonds being of the same form, tenor and effect (except for numbers and maturity dates), issued for financing the costs, not otherwise provided, of a men's dormitory and necessary appurtenant facilities for educational purposes at the University of Kentucky, under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect.

All of said Bonds are issued under and pursuant to an indenture (said indenture, together with all indentures supplemental thereto as therein permitted, being herein called the "Indenture"), of even date herewith, executed by and between the Board of Trustees of the University of Kentucky,

and the Farmers Bank & 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, Franklin County, Kentucky. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and the application of the proceeds of the Bonds; the collection and disposition of the revenues; the fund charged with and pledged to the payment of 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 take any action with respect to any default under the Indenture, or to institute, appear in, or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. The Indenture provides for fixing, charging and collecting rentals and other fees for the use of said building 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, Fayette County, Kentucky, which rents and fees will be sufficient to pay the costs 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 "Bond and Interest Sinking Fund Account of 1958" (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 costs of such maintenance, repair and operation to pay the principal of and the interest on the Bonds as the same become due, and to provide a reserve for such purposes, which Sinking Fund is pledged to and charged with the payment of said principal and interest.

This Bond, and the issue of which it is one, is payable only from a fixed amount of the gross income and revenues to be derived from the operation of said building and appurtenances, which will be set aside as a special fund and pledged for that purpose, and identified as the "Bond and Interest Sinking Fund Account of 1958". This Bond does not constitute any indebtedness of the University of Kentucky, or its Board of Trustees, or the Commonwealth of Kentucky, within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

Bonds numbered 1 through 238, inclusive, maturing March 1, 1961 through March 1, 1968, inclusive, are non-callable. The right is hereby reserved to call and redeem the Bonds numbered 239 through 1445, inclusive, maturing March 1, 1969 through March 1, 1993, inclusive, prior to the stated maturities thereof, in whole or in part, in the inverse order of their numbering, on any interest payment date after March 1, 1968, upon

at least thirty (30) days' prior notice, at the principal amount thereof plus accrued interest to the date of redemption, and a premium for each Bond as follows: Three per centum (3%) if redeemed September 1, 1968 through March 1, 1973, inclusive; two and one-half per centum (2-1/2%) if redeemed September 1, 1973 through March 1, 1978, inclusive; two per centum (2%) if redeemed September 1, 1978 through March 1, 1983, inclusive; one and one-half per centum (1-1/2%) if redeemed September 1, 1983 through March 1, 1988, inclusive; one per centum (1%) if redeemed after March 1, 1988. The right is hereby reserved to call and redeem the Bonds numbered 1446 through 1800, inclusive, maturing March 1, 1994 through March 1, 1998, inclusive, prior to the stated maturities thereof, in whole or in part, in the inverse order of their numbering, on any interest payment date, upon at least thirty (30) days' prior notice, at the principal amount thereof plus accrued interest to the date of redemption. Notice of any such intended redemption identifying the Bonds to be redeemed shall be filed at the office of the Trustee named in the aforementioned Indenture at least thirty (30) days prior to the specified redemption date, and such notice shall be published at least once not less than thirty (30) days prior to said redemption date in a financial publication published in the English language in the Borough of Manhattan, City and State of New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date. Priority as to prior redemption shall extend to Bonds numbered 1446 through 1800, inclusive, over Bonds numbered 239 to 1445, inclusive.

This Bond shall pass by delivery unless registered as to principal in the holder's name on the books of said Board of Trustees at the office of Farmers Bank & Capital Trust Company in the City of Frankfort, Franklin County, Kentucky, or at the office of its successor as Trustee under the Indenture, and such registration noted thereon, 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. 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, as provided by Sections 162.350 and 162.200 of the Kentucky Revised Statutes now in full force and effect, is hereby recognized as valid and binding on said dormitory and appurtenant facilities, and is created and granted to and in favor of the holder or holders of this Bond, and the issue of which it is a part, and in favor of the holder or holders of the coupons attached thereto; and said 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 income and revenues from the said dormitory and appurtenant facilities has been pledged to, and will be set aside into, said special account for the payment of the principal and interest on this Bond, and the issue of which it is 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 March, 1958.

\_\_\_\_\_  
CHAIRMAN, BOARD OF TRUSTEES

(SEAL)

ATTEST:

\_\_\_\_\_  
SECRETARY, BOARD OF TRUSTEES

(Form of Coupon)

NO. \_\_\_\_\_ \$ \_\_\_\_\_

On the first day of \_\_\_\_\_, 19\_\_\_\_\_,  
\*(unless the Bond to which this coupon is attached shall have been called for prior redemption), 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 "Bond and Interest Sinking Fund Account of 1958", at the principal office of Farmers Bank & Capital Trust Company in the City of Frankfort, Franklin County, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City of New York, State of New York, as provided in and for interest then due on its Housing Bond of 1958, dated March 1, 1958, Number \_\_\_\_\_.



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 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 done and performed;

NOW, THEREFORE, in consideration of these premises, the acceptance by the Trustee of the Trust hereby created, the purchase and acceptance of the Bonds by the holders hereof, and for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid by the Trustee to the Board 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 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 gross revenues of the Project as security for the payment of the Bonds and the interest thereon; and it is mutually agreed and covenanted by and between the parties hereto, for the equal and proportionate benefit and security of all and singular the present and future holders of the Bonds, and interest coupons issued and to be issued under this Indenture, without preference, priority or distinction as to lien, or otherwise, except as otherwise herein provided, of any Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof or otherwise, as follows:

## ARTICLE ONE

### DEFINITION OF TERMS

Section 1.01. In each and every place in and throughout this Indenture wherein the following terms, or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, used and intended to have meanings 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 created and existing under the provisions of Sections 164.130 et seq., of the Kentucky Revised Statutes, or its Executive Committee created and elected pursuant to Section 164.190 of the Kentucky Revised Statutes, when exercising the powers delegated to it by the Board.

- (c) "Trustee" -- Farmers Bank & Capital Trust Company, a combined bank and trust company created and existing under 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, Chemical Corn Exchange Bank, 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) "Project Revenue Fund Account of 1958" -- A special fund created in this Indenture to be established by the Board under the terms and conditions of this Indenture.
- (g) "Bond and Interest Sinking Fund Account of 1958" -- 1958 Housing Bond and Interest Sinking Fund Account as created by this Indenture.
- (h) "Building, Maintenance and Equipment Reserve Account of 1958" -- An account established in this Indenture for the purpose of paying the costs of unusual or extraordinary maintenance or repair expenses, and for the renewal, replacement and renovation of furniture and equipment not otherwise paid for as part of the ordinary and normal expense of the operation of the Project Dormitory.
- (i) "Construction Fund" -- The special account or fund created in this Indenture in which provision is made for the deposit of the Bond proceeds (exclusive of accrued interest received from the purchaser or purchasers of the Bonds), together with any other funds appropriated by the Board of Trustees as a contribution to the costs of the development of the Project.
- (j) "Project" -- A men's dormitory with appurtenant facilities to house approximately five hundred seventy-five (575) male students and one (1) faculty director, to be constructed through application of the proceeds of the construction fund upon a portion of the campus of the University of Kentucky, which portion or site is particularly described in Article Thirteen hereof.

- (k) "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.
- (l) "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.
- (m) "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.
- (n) "Counsel" -- Any counsel appointed by the Board, including any counsel in the employ of the Board or the University and so appointed.
- (o) "Engineer" -- Any licensed architect or engineer appointed by the Board, including any such architect or engineer in the employ of the Board or the University and so appointed.
- (p) "Fiscal Year" -- The fiscal year shall be the twelve (12) months period beginning July 1 and ending June 30 of the following year.

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

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

## ARTICLE TWO

### EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF BONDS

Section 2.01. Save as is herein provided in respect to mutilated, lost, destroyed or stolen Bonds, and in respect to transfers and exchanges, Bonds may be issued hereunder to the aggregate principal amount of One Million Eight Hundred Thousand (\$1,800,000.00) Dollars, and no more. The Bonds shall be issued as coupon Bonds in the denomination of One Thousand (\$1,000.00) Dollars, registerable 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 & Capital Trust Company, in the City of Frankfort, Franklin County, Kentucky, or at the principal office of



its successor in trust under this Indenture, or, at the option of the holder, at the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City of New York, 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 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 coupon Bonds in the aggregate principal amount of One Million Eight Hundred Thousand (\$1,800,000.00) Dollars, each Bond to be designated as a "University of Kentucky Housing Bond of 1958". The said coupon Bonds shall be dated March 1, 1958, and numbered one (1) through eighteen hundred (1800), 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 sale as hereinafter provided. All such interest on coupon Bonds to the respective maturity dates of principal shall be evidenced by coupons attached to the Bonds, maturing on September 1, 1958, and on each March 1 and September 1 thereafter. The Bonds shall mature as to principal in accordance with the following schedule:

BONDS NUMBERED (Inclusive)	PRINCIPAL AMOUNT	DATE OF MATURITY
1 - 27	\$ 27,000.00	March 1, 1961
28 - 55	28,000.00	March 1, 1962
56 - 83	28,000.00	March 1, 1963
84 - 112	29,000.00	March 1, 1964
113 - 142	30,000.00	March 1, 1965
143 - 173	31,000.00	March 1, 1966
174 - 205	32,000.00	March 1, 1967
206 - 238	33,000.00	March 1, 1968
239 - 272	34,000.00	March 1, 1969
273 - 307	35,000.00	March 1, 1970
308 - 343	36,000.00	March 1, 1971
344 - 380	37,000.00	March 1, 1972
381 - 418	38,000.00	March 1, 1973
419 - 457	39,000.00	March 1, 1974
458 - 497	40,000.00	March 1, 1975
498 - 538	41,000.00	March 1, 1976
539 - 580	42,000.00	March 1, 1977
581 - 623	43,000.00	March 1, 1978
624 - 668	45,000.00	March 1, 1979
669 - 714	46,000.00	March 1, 1980
715 - 761	47,000.00	March 1, 1981
762 - 810	49,000.00	March 1, 1982
811 - 860	50,000.00	March 1, 1983

(Cont' d)

(Cont' d)

BONDS NUMBERED (Inclusive)	PRINCIPAL AMOUNT	DATE OF MATURITY
861 - 911	\$ 51,000.00	March 1, 1984
912 - 964	53,000.00	March 1, 1985
965 - 1018	54,000.00	March 1, 1986
1019 - 1074	56,000.00	March 1, 1987
1075 - 1131	57,000.00	March 1, 1988
1132 - 1190	59,000.00	March 1, 1989
1191 - 1251	61,000.00	March 1, 1990
1252 - 1314	63,000.00	March 1, 1991
1315 - 1379	65,000.00	March 1, 1992
1380 - 1445	66,000.00	March 1, 1993
1446 - 1513	68,000.00	March 1, 1994
1514 - 1582	69,000.00	March 1, 1995
1583 - 1653	71,000.00	March 1, 1996
1654 - 1726	73,000.00	March 1, 1997
1727 - 1800	74,000.00	March 1, 1998

Bonds numbered 1 through 238, inclusive, maturing March 1, 1961 through March 1, 1968, inclusive, are non-callable. The right is hereby reserved to call and redeem the Bonds numbered 239 through 1445, inclusive, maturing March 1, 1969 through March 1, 1993, inclusive, prior to the stated maturities thereof, in whole or in part, in the inverse order of their numbering, on any interest payment date after March 1, 1968, upon at least thirty (30) days' prior notice, at the principal amount thereof plus accrued interest to the date of redemption, and a premium for each Bond as follows: Three per centum (3%) if redeemed September 1, 1968 through March 1, 1973, inclusive; two and one-half per centum (2-1/2%) if redeemed September 1, 1973 through March 1, 1978, inclusive; two per centum (2%) if redeemed September 1, 1978 through March 1, 1983, inclusive; one and one-half per centum (1-1/2%) if redeemed September 1, 1983 through March 1, 1988, inclusive; one per centum (1%) if redeemed after March 1, 1988. The right is hereby reserved to call and redeem the Bonds numbered 1446 through 1800, inclusive, maturing March 1, 1994 through March 1, 1998, inclusive, prior to the stated maturities thereof, in whole or in part, in the inverse order of their numbering, on any interest payment date, upon at least thirty (30) days' prior notice, at the principal amount thereof plus accrued interest to the date of redemption. Priority as to prior redemption shall extend to Bonds numbered 1446 through 1800, inclusive, over Bonds numbered 239 through 1445, inclusive. Such right of redemption shall be at the option of the Board, or through the application of (a) the proceeds of insurance as provided in Section 5.05 of this Indenture, or (b) the balance of money in the construction fund as provided in Section 7.06 of this Indenture. In each case such redemption shall be upon notice and in the manner and with the effect provided in Article Three of this Indenture.

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 The Courier-Journal, 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 as it 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 the said Bonds. The Board, by and through its Treasurer, shall make delivery to the purchaser or purchasers, but only upon payment of the stated purchase price, which shall immediately be deposited to the credit of the University in the various special funds or accounts, as hereinafter provided.

Only Bonds as shall bear thereon endorsed a certification of authentication substantially in the form herein-before recited, executed by the Trustee, shall be secured by this Indenture or be entitled to any right or benefit hereunder. The authentication by the Trustee upon any Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefit of the trusts hereby created.

The Bonds must be in compliance with the following specifications:

- (a) The Bond forms used must not be purchasable in blank by printers or others, but must be purchasable 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 Denominational 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.
  - (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 any Act of 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 by the Trustee and delivered to the purchaser or purchasers, such Bond nevertheless may be authenticated and delivered and issued as though the person who signed, sealed or attested such Bond had not ceased to be such officer of the Board of Trustees of the University.

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

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

Section 2.05. The Board shall keep at the office of the Trustee books for the registration and transfer of 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 coupon Bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. The holder of any coupon Bond issued hereunder may have the ownership of the principal thereof registered on said books of the Board at the office of the Trustee and such registration shall be noted on the Bond. After such registration no transfer shall be valid unless made on the said books by the registered owner in person, or by his duly authorized attorney, and similarly noted on the coupon Bond; but the same may be discharged from

registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such coupon Bond may again, from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer. Such registrations and discharges from registration shall be without expense to the holder of the Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the party requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

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

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 costs for each new Bond issued under this Section, and the furnishing of indemnity satisfactory to the Board. The Trustee shall incur no liability for anything done by it under this Section in the absence of negligence or fault.

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

## ARTICLE THREE

## REDEMPTION OF BONDS

Section 3.01. Coupon Bonds numbered 1 through 238, inclusive, maturing March 1, 1961 through March 1, 1968, inclusive, are and shall be non-callable. In case the Board shall desire to exercise its right of redemption of all, or, as the case may be, any part of the coupon Bonds numbered 239 through 1445, inclusive, maturing March 1, 1969 through March 1, 1993, inclusive, or Bonds numbered 1446 through 1800, inclusive, maturing March 1, 1994 through March 1, 1998, inclusive, or in case any coupon Bonds are to be redeemed otherwise than at the option of the Board, it shall file with the Trustee at least thirty (30) days in advance of the redemption date a copy of a notice specifying the redemption date and the numbers of the coupon Bonds to be redeemed, and shall publish in a financial publication published in the English language in the Borough of Manhattan, City and State of New York, at least once not less than thirty (30) days before the date fixed for redemption, a notice to the effect that the Board will redeem all the coupon Bonds, or a part thereof, as the case may be, on the date therein designated, specifying the maturity dates, and in the case of partial redemption of the coupon Bonds of any maturity, the distinctive numbers of the coupon Bonds of such maturity to be redeemed, and in every case stating that on said redemption date there will become due and payable upon each coupon Bond to be redeemed, at the offices of the Paying Agents, the principal thereof, together with accrued interest to such date, and such premium thereon, if any, as may be stipulated, and that from and after such redemption date interest thereon will cease to accrue. If any of the coupon Bonds to be redeemed are registered as to principal, similar notice shall be sent by the Board through the mails, postage prepaid, at least thirty (30) days prior to such redemption date, to the persons who shall appear by the transfer register of the Board to be the registered owners of such coupon Bonds; but such mailing shall not be a condition precedent to such redemption, and failure to mail any notice shall not affect the validity of the proceedings for the redemption of such coupon Bonds. In case the Board shall have elected to redeem less than all of the outstanding redeemable coupon Bonds, priority as to prior redemption shall extend to coupon Bonds numbered 1446 through 1800, inclusive, over Bonds numbered 239 to 1445, inclusive. Coupon Bonds shall be called for redemption in inverse numerical order.

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

On or before the redemption date specified in the notice above provided for, the Board shall, and it hereby covenants that it will, deposit with the Trustee an amount of cash sufficient to effect the redemption of the Bonds specified in such notice, or cause the Trustee to apply to such purpose moneys theretofore deposited with the Trustee under the provisions hereof

and properly available for such purpose. All moneys deposited by the Board with the Trustee, or set apart by the Trustee, under the provisions of this Indenture, for the redemption of Bonds, shall be held in trust for account of the holders thereof and shall be paid to them respectively upon presentation and surrender of said Bonds accompanied by all interest coupons, if any, maturing after the date fixed for redemption thereof, provided, however, if any such Bonds shall be registered, the same shall be endorsed in blank for transfer if the Trustee shall so require.

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

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

#### ARTICLE FOUR

##### DISPOSITION OF INCOME AND REVENUES OF THE PROJECT

Section 4.01. As soon as any portion of the Project becomes revenue producing, all rentals, charges, income and revenue arising from the operation or ownership of the Project shall be deposited to the credit of a special fund to be known as the "Project Revenue Fund Account of 1958", (hereinafter referred to as the "Revenue Fund"), which Revenue Fund is hereby created. Such Revenue Fund shall be held in the custody of the Treasurer of the Board, separate and apart from other funds. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding as a trust fund in a bank which is a member of the Federal Deposit Insurance Corporation, and shall be expended and used by the Treasurer only in the manner and order hereinafter specified.

Section 4.02. There is hereby created a separate account called the "Bond and Interest Sinking Fund Account of 1958" (hereinafter referred to as the "Sinking Fund"). The Sinking Fund shall be established and maintained by and in the custody of the Trustee, and maintained by it so long as any of the Bonds are outstanding. Such Sinking Fund shall be used by the Trustee to pay interest on the Bonds as it becomes due from time to time, and to pay and retire the Bonds as they mature, or as otherwise herein provided.

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

- (1) 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 deposited in the Construction Fund as will cause the total so deposited to equal all interest maturing until the Project becomes revenue producing.
- (2) That as soon as any portion of the Project becomes revenue producing, the Board shall transfer from the Revenue Fund and deposit to the credit of the Sinking Fund, on or before February 15 and August 15 in each and every year during the life of the Bonds, Fifty-one Thousand (\$51,000.00) Dollars, until the funds and/or investments therein are sufficient to meet debt service requirements on the outstanding Bonds for the then current year, plus a debt service reserve in the sum of One Hundred Sixty Thousand (\$160,000.00) Dollars, and thereafter, on or before each February 15 and August 15 in each and every year during the life of the Bonds, such sums from said sources as may be necessary to meet the then current year's debt service and maintain the debt service reserve in the sum of One Hundred Sixty Thousand (\$160,000.00) Dollars on the outstanding Bonds. All such deposits shall be cumulative, and a deficiency in any year shall be made up in the subsequent year or years.

Section 4.03 (a). Immediately prior to each March 1 and September 1, the Trustee shall transfer from the Sinking Fund to the principal office of Chemical Corn Exchange Bank, in the Borough of Manhattan, City of New York, State of New York, in its capacity as the New York Paying Agent named herein, funds sufficient to enable said New York Paying Agent to pay maturing Bonds and interest coupons, if any, as are there presented by the persons entitled to receive payment therefor; or shall make such arrangements with said New York Paying Agent as to secure the prompt payment of maturing Bonds and coupons, if any, as are there presented. The Trustee shall make similar arrangements in the event of redemption of any Bonds pursuant to Article Three of this Indenture. All such arrangements shall include provisions for the payment to the New York Paying Agent of its reasonable fees and charges for its services in paying and canceling Bonds and coupons, if any, in order that the persons entitled to receive payment therefor may receive the full amount due and payable without deduction of any sum for the compensation of the New York Paying Agent.

Section 4.03 (b). Subject to the foregoing, the current expenses of the Project Dormitory shall be payable from the Revenue Fund as the same become due and payable. Current expenses shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incident to the operation of the Project; but there shall be excluded therefrom depreciation, all general administrative expenses of the Board, and the payment into the "Building Maintenance and Equipment Reserve Account" hereinafter provided for.



Section 4. 04. As soon as the required reserve is accumulated in the Sinking Fund, and after payment of current expenses as provided in Section 4. 03 (b), the Board will establish with the Trustee a separate account called the "Building Maintenance and Equipment Reserve Account of 1958" (hereinafter referred to as the "Maintenance Fund", into which shall be deposited from the Project Revenue Fund Account, on or before the close of each fiscal year, the sum of Twelve Thousand Five Hundred (\$12,500. 00) Dollars annually until the funds and/or investments in the account shall aggregate One Hundred Twenty-five Thousand (\$125,000. 00) Dollars, and thereafter such sums, but not more than Twelve Thousand Five Hundred (\$12,500. 00) Dollars annually, as may be required to maintain a balance of One Hundred Twenty-five Thousand (\$125,000. 00) Dollars in that account. All moneys in the Maintenance Fund may be drawn on and used by the Board for the purpose of paying the costs of unusual and extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of furniture or equipment not paid as part of the ordinary and normal expense of dormitory operation. However, in the event the funds in the Sinking Fund should be reduced below the amount required to meet the then current year's debt service, and the debt service reserve of One Hundred Sixty Thousand (\$160,000. 00) Dollars on the outstanding Bonds, funds on deposit in the Maintenance Fund shall be transferred to the Sinking Fund to the extent required to eliminate the deficiency in the Sinking Fund.

Section 4. 05. Subject to the foregoing, the Board may use the balance of excess funds in the Revenue Fund to redeem outstanding Bonds on the next interest payment date, in inverse numerical order, and in amounts of not less than Five Thousand (\$5,000. 00) Dollars par value at one time, or for any expenditures, including the payment of debt service, in improving or restoring any existing housing and dining facilities, or providing any such additional facilities.

Section 4. 06. Moneys from time to time set aside in the Revenue Fund shall be applied solely as set forth in this Article Four, and under no circumstances shall any moneys deposited in the Revenue Fund be used for the general purposes and functions of the University.

## ARTICLE FIVE

### PARTICULAR COVENANTS OF THE BOARD

Section 5. 01. The Board covenants and agrees that it is the lawful owner of the property which is to be the site of the Project, as hereinafter described in Article Thirteen; that said property is free from any and all liens and encumbrances prior to or on a parity with the lien of these presents, and that it will warrant and defend the title thereto against all claims and demands whatsoever. A statutory mortgage lien, as provided by Sections 162. 350 and 162. 200 of the Kentucky Revised Statutes now in full force and effect, is hereby recognized as valid and binding on the Project dormitory and appurtenant facilities, and is created and granted to and in favor of the holder or holders of the Bonds and the coupons attached thereto; and said

Project dormitory and appurtenant facilities shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on all Bonds of this series.

Section 5.02. The Board covenants and agrees that it will establish and maintain, so long as any Bonds are outstanding under this Indenture, such parietal rules, rental rates and charges for the use of the Project facilities as may be necessary (1) to assure maximum occupancy of the Project; (2) to pay the interest on and principal of the Bonds as they respectively mature, to provide the maximum reserves therefor, and the maintenance fund; and that it will set up and maintain reserves specifically required hereunder, and such further reserves as may be reasonable with respect to the operation of the Project, for maintenance, depreciation, and other reserves customarily provided for in the accounting of business corporations for profit.

It is further covenanted and agreed by the Board that all rentals, charges, income and revenue arising from the operation or ownership of the Project to the extent of One Hundred Two Thousand (\$102,000.00) Dollars annually shall be, and are hereby, specifically pledged to secure the payment of these Bonds and the coupons attached so long as any shall remain outstanding, and a lien thereon is created and granted to and in favor of the holder or holders of the Bonds and the coupons attached thereto until the payment in full of the principal and interest on these Bonds.

The Board further covenants and agrees that while any of the Bonds are outstanding hereunder, it will, except as provided in Section 4.03 (b), pay the current expenses of the Project, and except as provided in Section 4.04 provide for all replacements of furniture and movable equipment, from available funds other than the revenue derived from the operation of the Project.

Section 5.03. The Board covenants and agrees that it will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

Section 5.04. The Board covenants and agrees that it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on each and every one of the Bonds issued hereunder, at the dates and places, and in the manner provided in said Bonds and in the coupons thereunto appertaining, according to the terms thereof and of this Indenture; and that so long as any of the Bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any Bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Board, then, anything in this Indenture contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this

Indenture, except after the prior payment in full of the principal of all Bonds issued hereunder and of such interest coupons and claims for interest as shall not have been so extended.

Section 5.05. Upon acceptance of the Project from the contractor, the Board shall procure and maintain, so long as any of the Bonds are outstanding, fire and extended coverage insurance on the Project in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed eighty (80%) per centum of the full insurable value of the damaged dormitory. Such insurance shall be in reputable insurance companies, or, at the option of the Board, may be procured and maintained through the State Fire and Tornado Insurance Fund of the Commonwealth of Kentucky in reputable insurance companies, loss, if any, to be made payable to the Trustee as its interests may appear. The Board will, within a reasonable time after the execution hereof, and within four (4) months after the close of each calendar year thereafter, furnish to the Trustee a statement in writing, signed by an officer of the Board, setting forth the full insurable value of the Project and describing all insurance then in force. 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. If the total received by the Trustee upon all policies shall in the case of one loss be less than the sum of Ten Thousand (\$10,000.00) Dollars, the amount shall be paid to the Board by the Trustee, to be used by the Board to pay for replacement or repairs or substitutes for the damaged or destroyed property, but the Trustee shall not be obligated to see to the application thereof. In all other cases, the proceeds of any and all insurance on the Project which may be received by the Trustee shall be held and applied by the Trustee as hereinafter provided.

Immediately upon occupancy of the Project, and so long thereafter as the funds and investments in the Sinking Fund are less than the debt service reserve specified in Section 4.02 (2), the Board will procure and maintain use and occupancy insurance in an amount sufficient to enable it to deposit in the Sinking Fund, out of the proceeds of such insurance, an amount equal to the sum which would normally have been available for deposit in such Sinking Fund from the revenues produced by the damaged building during the time the damaged building is non-revenue producing as a result of loss of use caused by hazards covered by fire and extended coverage insurance. The loss payable clause of this insurance agreement shall likewise be made payable to the Trustee.

Upon acceptance of the Project from the contractor, the Board shall, if such insurance is not already in force, procure and maintain, so long as any of the Bonds are outstanding, boiler insurance covering any steam boilers servicing the Project in a minimum amount of Fifty Thousand (\$50,000.00) Dollars. Such insurance shall be in reputable insurance companies, or, at the option of the Board, may be procured and maintained through the Department of Insurance of the Commonwealth of Kentucky in reputable insurance companies.

All insurance moneys (except the proceeds of use and occupancy insurance, which shall be deposited in the Sinking Fund; and all property insurance in amounts of less than Ten Thousand (\$10,000.00) Dollars

above provided to be paid over to the Board) received by the Trustee under the provisions of this Section shall be held by the Trustee as substituted security, and the same shall be by the Trustee paid out from time to time upon written orders of the Board, signed by the Chairman and Secretary, and accompanied by an approving certificate of an architect or engineer, for the purpose of paying the reasonable cost of repairing or replacing part or all of the property damaged or destroyed; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs or replacements, and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs or replacements, as shown by the said certificate of an architect or engineer. Every such order of the Board for the payment of insurance moneys shall state that the Board is not in default under any of the terms and provisions of this Indenture. The Trustee shall be fully protected in paying any such cash to or upon the order of the Board upon receipt of the showings above specified, but the Trustee shall have the right, but shall not be obliged, to require the Board to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Board to the withdrawal of any such insurance moneys. In the event insurance proceeds shall remain after the completion of such repairs or replacements, then the Trustee shall deposit such moneys in the Sinking Fund provided for by Article Four hereof, and such moneys shall be applied to the retirement of Bonds in the manner provided in Section 7.06 hereof, upon the first permissible redemption date.

Section 5.06. 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 subject to the payments provided for in Article Four hereof.

Section 5.07. The Board covenants and agrees that if it shall fail to perform any of the covenants in Sections 5.04, 5.05, and 5.06 hereof, the Trustee, or receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and it hereby agrees to pay all sums so advanced in its behalf, on demand, with interest at the rate of six per centum (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 5.08. The Board covenants and agrees that whenever

necessary to avoid or fill a vacancy in the office of the Trustee, the Board, in the manner provided in Section 11.05 hereof, will appoint a trustee so that there shall at all times be a trustee hereunder which shall at all times be a bank or trust company having its principal office and place of business in the Commonwealth of Kentucky, if there be such a bank or trust company willing and able to accept the trust upon reasonable or customary terms, and which shall at all times be a corporation organized and doing business under the laws of the United States or of the Commonwealth of Kentucky, with a capital and surplus of at least One Million (\$1,000,000.00) Dollars, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by Federal or State authority.

Section 5.09. 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 5.10. 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 5.11. The Board covenants that there shall be no free use or occupancy of the Project so long as any of the Bonds hereunder are outstanding.

Section 5.12. 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 fail at any time 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 5.13. The Board covenants that it will keep accurate financial records and proper books relating to the Project, and such records and books shall be open to inspection by the Bondholders and their agents and representatives. It further covenants that not later than ninety (90) days after the close of each fiscal year, beginning with the fiscal year ending

June 30, 1960, it will furnish to the Trustee, and to any Bondholder who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant, or a firm of independent certified or registered public accountants, who shall be satisfactory to the Trustee, or by appropriate State auditing official, reflecting in reasonable detail the financial condition and record of operation of the University, the Project, and pledged facilities during the preceding fiscal year.

## ARTICLE SIX

### DEPOSITORIES OF MONEYS, SECURITY OF DEPOSITS, AND INVESTMENT OF FUNDS

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

All moneys deposited with the Trustee or any other bank or banks hereunder shall be continuously secured, for the benefit of the Board and the holders of the Bonds, either (a) by lodging with a bank or trust company approved by the Treasurer of the Board as custodian, as collateral security, direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) 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 not otherwise secured as herein provided; 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 the Paying Agent or the Alternate Paying Agent to give security for the deposit of any moneys with it solely for the payment of the principal of or the interest on any Bonds issued hereunder.

Section 6.02. Moneys held for the credit of the Sinking Fund and the Maintenance Fund shall be invested by the Trustee, if so directed by resolution of the Board, in direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States Government. Obligations so purchased shall be deemed at all times to be a part of the Sinking Fund or the Maintenance Fund as the case may be, and the interest accruing thereon and any profit realized from such investment shall be credited to the Sinking Fund or the Maintenance Fund according to the source of the funds so invested. 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 or the Maintenance Fund. Neither the Trustee nor the Board shall be liable or responsible for any loss resulting from any such investment.

## ARTICLE SEVEN

### CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

Section 7.01. A fund is hereby created and designated as 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, which sum is required by Section 4.02 hereof to be deposited in the Sinking Fund. The moneys in the Construction Fund shall be held in trust and applied to the payment of the costs of the Project in accordance with and subject to the provisions of this Article, and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Indenture, and shall be held for the further security of such holders until paid out as herein provided.

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

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

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

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

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

(d) fees and expenses of engineers and architects for surveys and estimates and other preliminary investigations, preparation of plans, drawings and specifications and supervising construction, as well as for the performance of all other duties of engineers and architects in

relation to the construction of the Project.

(e) expense of administration properly chargeable to the Project, including the sum of Seven Thousand Five Hundred (\$7,500.00) Dollars, which is the agreed fixed fee of the Housing and Home Finance Agency of the United States Government in supervising and inspecting the work appertaining to the development of the Project, and auditing the books, records, and accounts pertaining to the Project as set forth in Section 5 of a certain Loan Agreement between the Board and the United States of America, Housing and Home Finance Agency, dated December 1, 1957;

(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, Housing and Home Finance Agency, with interest thereon as provided in and by the said 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 Treasurer 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 or 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 having supervision or the construction of the Project; and

(4) that the amount which will remain in the Construction Fund



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

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

Section 7.06. When the Project shall have been completed and equipped and opened for use and occupancy, a certificate to that effect shall be signed by the President and Treasurer of the University and by the Engineer having supervision of construction of the Project so stating, accompanied by an opinion of counsel that an examination of the appropriate public records reveals no uncanceled liens or claims or liens of mechanics, laborers, contractors or materialmen, with respect to the Project, and that, in the opinion of such counsel, the time within which such liens (whether legally permissible or not) can be filed, has expired. Any balance remaining in the 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 One Thousand (\$1,000.00) Dollars, shall be used by the Trustee for the redemption of Bonds then outstanding under this Indenture, and in accordance with the redemption provisions set forth in said Bonds and in this Indenture upon the earliest permissible redemption date. The Trustee may take such action to redeem outstanding Bonds as soon as redemption is legally permissible after the transferring of moneys from the Construction Fund to the Sinking Fund, and without specific authorization on the part of the Board; but the Trustee shall in any event report its actions in 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 provisions contained herein or in any supplemental indenture.

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

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

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

## ARTICLE NINE

### REMEDIES

Section 9.01. 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 all coupons the time for the payment of which shall not have been extended.

Section 9.02. Each of the following events is hereby declared an "event of default"; that is to say: If

- (a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable, either

- at maturity or by proceedings for redemption or otherwise;  
or
- (b) payment of any installment of interest shall not be made when the same shall become due and payable or within thirty (30) days thereafter; or
  - (c) the Board shall discontinue or unreasonably delay or fail to carry on with reasonable dispatch the construction of the Project; or
  - (d) the Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
  - (e) the Project shall be destroyed or damaged and shall not be promptly repaired, replaced or reconstructed (whether such failure promptly to repair, replace or reconstruct the same be due to the impracticability of such repair, replacement or reconstruction, or to lack of funds therefor or for any other reason); or
  - (f) an order or decree shall be entered, with the consent or acquiescence of the Board, appointing a receiver or receivers of the Project or of the income therefrom, or if such order or decree, having been entered without the acquiescence or consent of the Board, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry; or
  - (g) the Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture on the part of the Board to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Board by the Trustee, which may give such notice in its discretion and shall give such notice upon the written request of the holders of not less than fifteen per centum (15%) in principal amount of the Bonds then outstanding.

Section 9.03. Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then outstanding shall, by a notice in writing to the Board, declare the principal of all the Bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Bonds or in this Indenture to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the

enforcement of any other remedy under the Indenture, moneys shall have accumulated in the Sinking Fund sufficient to pay all arrears of principal or interest, if any, upon all the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in this Indenture (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

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

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

In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest or otherwise under any of the provisions of this Indenture or of the Bonds and unpaid with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys in the Sinking Fund and the income of the Project 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 ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

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

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

- (b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority 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, ratably according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.
- (c) If the principal of all of the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 9.03 of this Article, then, subject to the provisions of paragraph (b) of this Section, in the event that the principal

of all the Bonds shall later become due or be declared due and payable, the moneys then remaining in and thereafter accruing to the Sinking Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

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

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

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

Section 9.07. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 9.08 of this Indenture, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which 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 fifteen per centum (15%) 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 of the Bonds secured hereby, enforceable by the Trustee or by the holder of the Bonds, may be enforced by the Trustee or by such holder without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto. Any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions of this Indenture.

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

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

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

Section 9.12. The Trustee shall mail to the registered owners of the Bonds then outstanding at their addresses as they appear on the

registration books, and to all other Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any event of default set forth in clause (a) or in clause (b) of Section 9.02 of this Article within thirty (30) days after any such event of default shall have occurred. If in any year ending September 1 the total amount of deposits to the credit of the Sinking Fund shall be less than the amounts required so to be deposited under the provisions of Article Four of this Indenture, the Trustee, on or before the first day of October 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 to the Trustee shall thereupon cease, terminate and become void, except as to the moneys deposited for payment of principal and interest due or to become due on said Bonds and coupons which shall be held by the Trustee and shall be applied by said Trustee to the payment of such Bonds and coupons upon the presentation and surrender thereof. Any deposit of money with the Trustee for the purpose of paying and sufficient in amount to pay certain of the Bonds and interest due and to become due thereon, or certain of the coupons appertaining thereto, shall discharge the liability of the Board on the Bonds and/or coupons for payment of which such deposit shall be made. 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 stating that in his opinion the conditions precedent to the release and discharge of this Indenture have been complied with, shall execute and deliver to the Board on demand, at the cost and expense of the Board, all proper instruments that may be necessary to evidence the satisfaction and termination of this Indenture.

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

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

## ARTICLE ELEVEN

### CONCERNING THE TRUSTEE

Section 11.01. The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions:

- (a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it, by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning

all matters of trust hereof and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof and the Board covenants and agrees to repay upon demand all such outlays and expenditures so incurred.

- (b) Except for the authentication of the Bonds and approval of insurance policies, 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 obliged to pay interest on such moneys, save such as it shall agree to pay thereon. Holders of Bonds and/or coupons shall not be entitled to interest on funds deposited for payment of such Bonds 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, 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 in the absence of negligence or fault, for any loss resulting from any action or non-action in accordance with any such opinion or advice.
- (g) The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be within the discretion or power conferred upon it by this Indenture, and the Trustee shall be answerable only for its own acts, receipts, neglects and defaults, but not for any loss unless the same shall happen through neglect or negligence.
- (h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the holders of at least five (5%) per cent in principal amount of the Bonds hereby secured and then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of such Trustee.

- (i) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, architects, accountants and representatives, shall have the right fully to inspect any and all of the Project, including all books, papers and contracts of the Board and University, and to take such memoranda from and in regard thereto as may be desired.
- (j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.
- (k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property or securities, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, and by the Trustee deemed desirable for the purpose of establishing the right of the Board to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee. The Trustee shall not be required, except as otherwise herein provided, to authenticate any Bonds, permit the withdrawal of any cash, or take any other action if at the time there exists to its knowledge any default in respect of any of the covenants, agreements or provisions of this Indenture.

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

Section 11.03. The Trustee may at any time resign and be discharged of the trusts hereby created by mailing written notice to the Board or to the President of the University and to each registered owner of Bonds, specifying the day upon which such resignation shall take effect, and thereafter, unless all outstanding Bonds are registered as to principal, causing notice thereof to be published (a) in a daily newspaper of general circulation at the time published in the English language in the City of Louisville, Kentucky, and (b) in a financial newspaper published in New York, New York, in the English language, once a week for three (3) consecutive weeks prior to the date upon which such resignation shall take effect; and such resignation shall take effect upon the day specified in such notice unless previously a successor Trustee shall have been appointed by the Bondholders or the Board in the manner hereinafter provided in Section 11.05 of this Article,

and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

Section 11.04. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Trustee and to the Board, and signed by the holders of a majority in principal amount of the Bonds hereby secured and then outstanding.

Section 11.05. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in principal amount of the Bonds thereby 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 Regents, 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 5.08 hereof.

Section 11.06. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Board, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estate, properties, rights, powers, and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it to its successor. Should any deeds, conveyance or instrument of writing from the Board be required by any successor for more fully and certainly vesting in such Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board.

## ARTICLE TWELVE

### MISCELLANEOUS PROVISIONS

Section 12.01. In case the principal of any of the Bonds shall not be punctually paid when due at maturity, whether by declaration or lapse of time, and/or in case any installment of interest thereon shall not be punctually paid when due, then upon deposit with or receipt by the Trustee of

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

Section 12.02. (a) In the event that any Bond issued hereunder shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof, the Board having deposited with the Trustee in trust for the purpose, or left with it if previously so deposited, funds sufficient to pay the principal of such Bond together with all interest due thereon to the date of the maturity of such Bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the holder thereof, then and in every such case, interest on said Bond or on said unpaid coupon, and all liability of the Board to the holder of said Bond for the payment of the principal thereof and interest thereon, as the case may be, shall forthwith cease, terminate and be completely discharged; and thereupon it shall be the duty of the Trustee to hold the funds, so deposited in trust, for the benefit of the holder of such Bond or unpaid coupon, as the case may be, who shall thereafter, as long as the funds deposited or left on deposit for the payment thereof shall remain on deposit with the Trustee, be restricted exclusively to said funds for any claim of whatsoever nature on the part of such holder under this Indenture or on said Bond or any coupons appertaining thereto, or on said unpaid coupon.

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

Section 12.03. Except as in this Section otherwise expressly

provided, the holders of sixty-five per cent (65%) or more in principal amount of the Bonds at any time outstanding shall have the power, by an instrument or instruments in writing signed by such holders in person or by their duly authorized agents or attorneys or by a committee constituted by an agreement to which any portion of the Bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or alteration of this Indenture or any indenture supplemental hereto or the rights and obligations of the Board under this Indenture or of the holders of Bonds and coupons issued under this Indenture in any particular, approved by the Board, including without limitation by reason of the foregoing (1) release from the statutory mortgage lien of any part of the Project covered thereby, provided the security of any bondholder is not thereby impaired, and (2) waiver of any default and of any rights arising by reason of any default under any of the provisions of the Indenture; and any action herein authorized to be taken with the assent or authority, given as aforesaid of the holders of sixty-five per cent (65%) or more in principal amount of the Bonds at the time outstanding shall be binding upon the holders of all of the Bonds then or from time to time thereafter outstanding under the Indenture as fully as though such action were specifically and expressly authorized by the terms of the Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Board to pay the principal of and interest on the Bonds at the respective dates and at the places and in the respective amounts, as provided in the Bonds, (b) shall give to any Bond or Bonds secured by the Indenture any preference over any other Bond or Bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the said statutory mortgage lien, (d) shall deprive any Bondholder of the security afforded by this Indenture, or (e) shall reduce the percentage required by the provisions of this Section for any action under this Section. Any modification of the provisions of the Indenture, made as aforesaid, shall be set forth in a supplemental indenture between the Trustee and the Board in the manner provided in Article Seven.

Section 12.04. The Board and the Trustee agree, and each holder or owner of any Bond or coupon by his acceptance thereof shall be conclusively deemed to have agreed, that any court may in its discretion require in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than ten per cent (10%) in principal amount of the Bonds outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on any Bond, on or after the respective due dates expressed in such Bond.

Section 12.05. This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The date of actual execution of this Indenture shall be the date

of execution by the Trustee.

Section 12.06. If there should be any misapplication of the proceeds of the Bonds, such misapplication shall not affect the validity of the Bonds.

Section 12.07. If any section, paragraph, clause or provision of this Indenture shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Indenture.

## ARTICLE THIRTEEN

### IDENTIFICATION OF THE PROJECT

Section 13.01. The "Project", as defined in Section 1.01 hereof, and as referred to throughout this Indenture, is identified as a men's dormitory with appurtenant facilities to house approximately five hundred seventy-five (575) male students and one (1) faculty director, to be constructed by the Board upon a portion of the campus of the University of Kentucky in the City of Lexington, Fayette County, Kentucky, described as follows:

"A tract of land on the University of Kentucky campus in Lexington, Fayette County, Kentucky, immediately east of Donovan Hall and more particularly described as follows: Beginning at a point which is the southeastern corner of the brick retaining wall immediately east of and adjacent to Donovan Hall; thence in an easterly direction forty (40) feet; thence at right angles in a northerly direction a distance of thirty (30) feet; thence at right angles to the east a distance of two hundred and twenty (220) feet; thence at right angles to the north a distance of two hundred and sixty-one (261) feet; thence at right angles in a westerly direction a distance of two hundred and twenty (220) feet; thence at right angles to the south a distance of one hundred and sixty (160) feet; thence at right angles to the west a distance of forty (40) feet to a point in the retaining wall; thence at right angles to the south and with the wall a distance of one hundred and thirty-one (131) feet to the point of beginning, as shown on the site plan prepared by John F. Wilson & Associates, architects, bearing date 8/2/57."

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 hereunto affixed and said seal to be attested, and this Indenture to be countersigned by the Secretary of its



Board of Trustees; and the party of the second part, Farmers Bank & Capital Trust Company, to evidence its acceptance of the trust hereby created and vested in it, has caused its corporate name to be hereunto subscribed by its President, and its corporate seal to be hereunto affixed and its 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 \_\_\_\_\_, 1959.

BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

BY \_\_\_\_\_  
Chairman

(SEAL)

ATTEST:  
Countersigned:

\_\_\_\_\_  
Secretary

FARMERS BANK & CAPITAL TRUST COMPANY

BY \_\_\_\_\_  
President

(SEAL)

ATTEST:  
Countersigned:

\_\_\_\_\_  
Trust Officer

STATE OF KENTUCKY  
Sct.  
COUNTY OF FRANKLIN

On this the \_\_\_\_\_ day of \_\_\_\_\_, 1959, before me, the undersigned Notary Public in and for the State and County aforesaid, appeared \_\_\_\_\_

\_\_\_\_\_ and \_\_\_\_\_, to me

personally known to be the Chairman and Secretary, respectively, of the Board of Trustees of the University of Kentucky, and \_\_\_\_\_

\_\_\_\_\_ and \_\_\_\_\_,

known to me to be the President and Trust Officer, respectively, of the Farmers Bank & Capital Trust Company, of Frankfort, Kentucky, and each being severally sworn, acknowledged for their respective corporations that the seal in each instance affixed to the within and foregoing instrument are the corporate seals of their respective corporations, and that said instrument was executed, signed and sealed by each of them on behalf of their respective corporations, by authority of the governing board of each corporation, and each acknowledged the execution of the said instrument to be the free and voluntary act and deed of his respective corporation.

WITNESS my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 1959.

\_\_\_\_\_  
Notary Public,

(SEAL)  
My commission expires

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

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

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

Adopted by the Board of Trustees of the University of Kentucky at a meeting held on the 7th day of April, 1959.

\_\_\_\_\_  
Chairman, Board of Trustees,  
University of Kentucky

ATTEST:

\_\_\_\_\_  
Secretary

and moved that all rules be suspended and that said proposed Resolution be adopted, which motion was seconded by Mr. Wood Hannah, Sr., a member of the Board, and said motion having been duly considered, the Chairman of the Board of Trustees put the question, and upon roll being called, the following voted "Aye";

Dr. Ralph Angelucci	Mr. Ben Butler
Dr. Paul Hall	Mr. Robert Hobson
Dr. William Wilson	Mr. J. Stephen Watkins
Mr. Floyd Wright	Mr. Clifford E. Smith
Mr. Robert Hillenmeyer	Governor A. B. Chandler
Mr. Wood Hannah, Sr.	

"Nay": None.

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

O. Parietal Rules and Occupancy Rate Established.

Dr. Ralph J. Angelucci introduced and caused to be read in full a proposed resolution entitled, "A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, ADOPTING PARIETAL RULES AND RENTAL RATES AND CHARGES FOR OCCUPANCY AND USE OF THE DORMITORY FACILITIES ENCUMBERED BY THE TRUST INDENTURE SECURING THE \$1,800,000.00 UNIVERSITY OF KENTUCKY HOUSING BONDS OF 1958".

WHEREAS, the Board of Trustees of the University of Kentucky, under date of December 1, 1957, entered into a certain Loan Agreement with the United States of America, acting by and through the Housing and Home Finance Administrator (hereinafter called the "Government"), pursuant to which the Board of Trustees of the University authorized the issuance and sale of its University of Kentucky Housing Bonds of 1958 to finance a housing facility consisting of a dormitory designed to accommodate approximately five hundred seventy-five (575) male students and one (1) faculty director, including the necessary appurtenant facilities, and

WHEREAS, Section 39 of the Terms and Conditions of said Loan Agreement provide as follows:

"Section 39. Parietal Rules. The Borrower shall establish and maintain throughout the life of the loan, such parietal rules, rental rates and charges for the use of the Project facilities and such other facilities the revenues of which are pledged in this Loan Agreement as may be necessary to (1) assure maximum occupancy and use of said facilities and (2) provide (a) the debt service on the Bonds, (b) the required reserve therefor and (c) the Building Maintenance and/or Equipment Reserve where such reserves are required pursuant to the Loan Agreement."

AND WHEREAS, pursuant to the terms and conditions of said Section 39 of the said Loan Agreement, the Government has requested and the Board of Trustees of the University of Kentucky are desirous of implementing and specifying the manner in which the covenants and obligations of the University relating to Section 39 of the Loan Agreement shall be carried out and performed, --

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY:

1. That so long as any of the aforesaid Bonds, or any interest thereon, remain outstanding and unpaid, it shall be the duty of the officers of the University, and they are hereby authorized, empowered and directed to assign full-time male students of the University to the occupancy of the Project dormitory, to the end that maximum occupancy of said dormitory shall be maintained at all times during the regular term and Summer session of the University; and such assignments shall take precedence over similar facilities of the University (excepting that of Donovan Hall, which is encumbered by the Trust Indenture of the University dated as of July

1, 1952, securing \$1,400,000.00 Bonds now outstanding, which facility by direction of this Board has a preference of such assignments), so long as any of the Bonds issued for financing the said Project dormitory, or any interest thereon, remain outstanding and unpaid.

2. That the rental rates and charges for the occupancy and use of said Project dormitory are hereby established as follows and made effective immediately:

(A) Each student occupant will pay a rental or occupancy charge of One Hundred Fifteen (\$115.00) Dollars for each semester of the regular term of two (2) semesters of the regular college year, or Two Hundred Thirty (\$230.00) Dollars for the regular college year of two (2) semesters.

(B) Each student occupant at the regular Summer session of eight (8) weeks will pay a rental or occupancy charge of Fifty-seven Dollars and Fifty Cents (\$57.50).

(C) The officers of the University are directed to impose and charge for the use and occupancy of the quarters provided for the faculty director in the Project dormitory such rental rates and charges as will yield approximately Two Hundred Eighty-seven Dollars and Fifty Cents (\$287.50) per annum.

The said rental rates and charges established herein may be adjusted from time to time as may be necessary to comply with the covenants and undertakings set forth in the Indenture and Loan Agreement securing the said Bonds.

3. The officers of the University are authorized, empowered and directed to make and enforce such rules, regulations and directives as shall be necessary or expedient to insure full occupancy and maximum use of the Project dormitory, and to insure full compliance with the above cited provisions of said Loan Agreement, and the Terms and Conditions thereof.

4. That all resolutions, or parts thereof, in so far as the same may be in conflict herewith, are hereby repealed.

5. This resolution shall be in full force and effect from and after its adoption.

Adopted by the Board of Trustees of the University of Kentucky at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 1959.

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Chairman, Board of Trustees,  
University of Kentucky

Attest:

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Secretary

and moved that all rules be suspended, and that said proposed resolution be adopted, which motion was seconded by J. Stephen Watkins, a member of the Board; and said motion having been duly considered, the Chairman of the Board of Trustees put the question, and upon roll being called, the following voted "Aye":

Governor A. B. Chandler  
 Dr. Ralph J. Angelucci  
 Dr. Paul Hall  
 Wood Hannah, Sr.  
 Ben Butler  
 Clifford E. Smith  
 R. P. Hobson  
 J. Stephen Watkins  
 Robert H. Hillenmeyer  
 Floyd H. Wright  
 Dr. William C. Wilson

"Nay": None

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

\* \* \* \* \*

P. Consideration of Internal Budget, 1959-60.

The Vice President, Business Administration, presented the Internal Budget for the year 1959-60 and briefly explained for the members of the Board of Trustees how the budget document was developed by the heads of the departments or administrative divisions, the deans of the colleges, the President and his administrative committee and the Business Office. Each member of the Board received a complete copy of the Budget for personal examination. The Vice President, Business Administration, read the following Comments:

UNIVERSITY OF KENTUCKY  
 INTERNAL BUDGET  
 YEAR 1959-60  
 COMMENTS

Introduction

Presented herewith for your consideration and approval is the total General Fund budget request of \$15,031,770.03 for the fiscal year beginning July 1, 1959 and ending June 30, 1960.

The General Fund budget request provides for the operation of the Division of Colleges, Medical Center Agricultural Experiment Station, Agricultural Extension Service, Geological Projects, Auxiliary and Service Enterprises, Student Aid and Debt Service (including only bonds retired and reserves provided from student fees).

### Estimated Income

The total General Fund estimated income is \$14,933,887.13, which is an increase of \$1,293,322.00 over the 1958-59 revised budget estimate. The funds are anticipated from the following sources on a comparative basis:

<u>Source</u>	<u>Budget</u> 1958-59	<u>Budget</u> 1959-60	<u>Increase</u> (Decrease)
<u>I. Educational and General -</u>			
Student Fees	\$ 1,431,000.00	\$ 1,500,000.00	\$ 69,000.00
Commonwealth of Ky.	7,954,700.00	9,081,400.00	1,126,700.00
Federal Government	2,965,810.63	2,967,142.63	1,332.00
Endowment Income	10,119.50	43,919.50	33,800.00
Sales and Services of Educational Departments	670,000.00	670,000.00	
<u>Total Educational and General</u>	<u>\$13,031,630.13</u>	<u>\$14,262,462.13</u>	<u>\$1,230,832.00</u>
<u>II. Auxiliary Enterprises</u>	<u>604,935.00</u>	<u>667,425.00</u>	<u>62,490.00</u>
<u>III. Service Enterprises</u>	<u>4,000.00</u>	<u>4,000.00</u>	
<u>Total General Fund Income</u>	<u>\$13,640,565.13</u>	<u>\$14,933,887.13</u>	<u>\$1,293,322.00</u>

The total increase of \$69,000.00 from student fees is based upon an anticipated increase of 8% in enrollment, which will realize approximately \$53,000.00, and an increase of \$16,000.00 in fees from Extension, Evening Classes and Home Study in University Extended Programs.

The state appropriation to the University provides an increase of \$1,126,700.00, which is allocated to the Divisions as follows:

<u>Commonwealth of Kentucky</u>	<u>Estimated</u> 1958-59	<u>Estimated</u> 1959-60	<u>Increase</u>
<u>Divisions</u>			
Division of Colleges	\$5,606,000.00	\$6,116,600.00	\$ 510,600.00
Medical Center	438,400.00	978,500.00	540,100.00
Geological Projects	183,300.00	187,300.00	4,000.00
Agr. Exp. Station	796,000.00	827,000.00	31,000.00
Agr. Exten. Service	931,000.00	972,000.00	41,000.00
<u>Total-Commonwealth of Kentucky</u>	<u>\$7,954,700.00</u>	<u>\$9,081,400.00</u>	<u>\$1,126,700.00</u>

The grant from the Federal Government provides a net increase of \$1,332.00. An increase of \$3,822.00 was made through the Smith-Hughes-Related Acts, which finances the programs in Vocational Education in the College of Education. A decrease of \$2,500.00 was made in the grant from Agricultural Marketing Act Title II, which is a part of the research projects in the Agricultural Experiment Station.

The increase in Endowment Income is \$33,800.00 from the Patterson Trust Fund is for the operation of the Patterson School of Diplomacy and International Commerce established during the year 1958-59.

There was no anticipated increase in the total income from sales and services. The principal source of income in this category is regulatory fees of the Agricultural Experiment Station.

II. The General Fund estimated income from Auxiliary Enterprises is \$667,425.00. This represents an increase of \$62,490.00. The increase in the rate charged for room rent and board in residence halls accounts for the entire increase.

III. The estimated income of \$4,000.00 from Service Enterprises is a grant from the Federal Government for a part of the costs of operating the Campus Post Office.

### Proposed Expenditures

The total proposed General Fund budget request is \$15,031,770.03, which represents an increase of \$1,387,959.52 over the 1958-59 revised approved budget.

A functional analysis of the request is as follows:

I. <u>Educational and General-</u>	Budget 1958-59	Budget 1959-60	Increase (Decrease)
General Administrative Offices	\$ 204,315.00	\$ 219,395.99	\$ 15,080.00
Student Services	307,535.00	338,217.00	30,682.00
Staff Welfare (F. I. C. A. Taxes)	103,000.00	120,000.00	17,000.00
General Inst. Services	152,299.98	163,461.50	11,161.52
Inst. & Dept. Research	4,704,977.00	5,445,911.00	740,934.00
Activities Relating to Educational Departments	51,418.00	55,168.00	3,750.00
Organized Research	2,491,654.00	2,543,437.00	51,783.00
Extension & Public Services	3,263,919.03	3,346,672.03	82,753.00
Libraries	476,938.00	530,724.00	53,786.00
Operation and Maintenance of Physical Plant	1,194,490.00	1,554,199.00	359,709.00
Total--Educa. & General	\$12,950,546.01	\$14,317,184.53	\$1,366,638.52
II. <u>Auxiliary Enterprises</u>	598,328.00	617,753.00	19,425.00



III. <u>Service Enterprises</u>	\$	26,080.00	\$	27,580.00	\$	1,500.00
IV. <u>Student Aid</u>		3,600.00		4,000.00		400.00
V. <u>Debt Service-Bonds Retired</u>	\$	59,000.00		59,000.00		
VI. <u>Debt Service-Reserve</u>		6,256.50		6,252.50		(4.00)
Total General Fund Proposed Expenditures		<u>\$13,643,810.51</u>		<u>\$15,031,770.03</u>		<u>\$1,387,959.52</u>

The following statement showing a comparison of Educational and General Income and Expenditures for the fiscal years 1958-59

**UNIVERSITY OF KENTUCKY**  
**Comparison of Educational and General**  
**Income and Expenditures**  
**Fiscal Years 1958-59 and 1959-60**

	<u>A</u>		<u>B</u>		<u>C</u>	
	<u>Colleges and Administration</u>	<u>1959-60</u>	<u>Agricultural Experiment Station</u>	<u>1959-60</u>	<u>Extension Service</u>	<u>1959-60</u>
<u>Income</u>						
<u>I. Educational and General</u>						
Student Fees	\$ 1,431,000.00	\$ 1,500,000.00	\$	\$	\$	\$
Commonwealth of Kentucky	5,606,000.00	6,116,600.00	796,000.00	827,000.00	931,000.00	972,000.00
Federal Government	142,177.60	146,009.60	867,822.00	865,322.00	1,955,811.03	1,955,811.03
Endowment Income	10,119.50	43,919.50				
Sales and Services	20,000.00	20,000.00	650,000.00	650,000.00		
<b>Total Income</b>	<b>\$ 7,209,297.10</b>	<b>\$ 7,826,529.10</b>	<b>\$ 2,313,822.00</b>	<b>\$ 2,342,322.00</b>	<b>\$ 2,886,811.03</b>	<b>\$ 2,927,811.03</b>

<u>Expenditures</u>						
<u>I. Educational and General</u>						
General Administration and Expense	\$ 672,871.98	\$ 734,248.50	\$	\$	\$	\$
Instruction and Departmental Research	4,436,491.00	4,915,709.00				
Activities Relating to Educational Departments	51,418.00	55,168.00				
Organized Research	177,832.00	201,115.00	2,313,822.00	2,342,322.00	2,886,811.03	2,927,811.03
Extension and Public Services	193,808.00	231,561.00				
Libraries	401,302.00	451,851.00				
Operation and Maintenance of Physical Plant	1,194,490.00	1,291,599.00				
<b>Total Expenditures</b>	<b>\$ 7,128,212.98</b>	<b>\$ 7,881,251.50</b>	<b>\$ 2,313,822.00</b>	<b>\$ 2,342,322.00</b>	<b>\$ 2,886,811.03</b>	<b>\$ 2,927,811.03</b>

<u>D</u>		<u>E</u>						
<u>Geological</u>		<u>Medical Center</u>		<u>Total</u>	<u>Total</u>			
<u>Projects</u>	<u>1959-60</u>	<u>1958-59</u>	<u>1959-60</u>	<u>1958-59</u>	<u>1959-60</u>	<u>Percent</u>		
\$	183,300.00	\$	438,400.00	\$	1,431,000.00	\$ 1,500,000.00	10.5 %	
	187,300.00		978,500.00		7,954,700.00	9,081,400.00	63.7	
					2,965,810.63	2,967,142.63	20.8	
					10,119.50	43,919.50	.3	
					670,000.00	670,000.00	4.7	
\$	183,300.00	\$	438,400.00	\$	978,500.00	\$13,031,630.13	100.0 %	
<hr/>								
\$		\$	94,278.00	\$	106,825.00	\$ 767,149.98	\$ 841,073.50	5.9 %
			268,486.00		530,202.00	4,704,977.00	5,445,911.00	38.0
						51,418.00	55,168.00	.4
						2,491,654.00	2,543,437.00	17.8
	183,300.00		75,636.00		78,873.00	3,263,919.03	3,346,672.03	23.4
						476,938.00	530,724.00	3.7
						1,194,490.00	1,554,199.00	10.8
\$	183,300.00	\$	438,400.00	\$	978,500.00	\$12,950,546.01	\$14,317,184.53	100.0 %

### A. Colleges and Administration

The total departmental budget request for the Division of Colleges and Administration is \$7,881,251.50. This request includes the appropriation for seven Colleges, Graduate School, Extended Programs (Extension Centers), Activities Relating to Educational Departments, University Departmental Research, Libraries, Bureau of School Service, Kentucky Geological Survey, Extended Programs (Extension Studies), Kentucky Life Museum, General Administration and Expense, and Operation and Maintenance of the Physical Plant.

The functional analysis of the request is as follows:

<u>Function</u>	<u>1959-60 Budget</u>
General Administration and Expense	\$ 734,248.50
Instruction and Departmental Research	4,915,709.00
Activities Relating to Educational Departments	55,168.00
Organized Research	201,115.00
Extension and Public Services	231,561.00
Libraries	451,851.00
Operation and Maintenance of Physical Plant	<u>1,291,599.00</u>
Total	<u>\$7,881,251.50</u>

The above budget for Colleges and Administration represents an increase over 1958-59 of \$753,038.52. Of this increase, Instruction and Research received \$479,218.00. The General Libraries for Colleges received an increase of \$50,549.00. The College of Arts and Sciences received the largest increase of \$179,801.00, which includes \$33,800.00 for the operation of the Patterson School of Diplomacy and International Commerce. Other Colleges received proportionate increases.

### B. Agricultural Experiment Station

The total departmental budget request for the Agricultural Experiment Station is \$2,342,322.00. The request provides expenditures for administration, twelve research departments, five regulatory and service sections, library, operation and maintenance of six research and demonstration farms, Robinson Forestry, and two experimental substations, six research and demonstration farms. There are approximately 300 active research projects.

The budget request by function is as follows:

<u>Function</u>	<u>1959-60 Budget</u>
General Administration and Expense	\$ 84,590.00
Departmental Research	1,358,141.95
Operation and Maintenance of Farms and Substations	380,626.97
Regulatory and Services	274,892.75
Library	13,964.00
Operation and Maintenance of Physical Plant	84,954.00
Equipment and Farm Conversion	<u>145,151.64</u>
Total	<u>\$2,342,322.00</u>

The appropriations for the cost of direct departmental research and the operation and maintenance of Farms and Substations are approximately 75% of the total request for 1959-60. The other appropriations are related costs to departmental research, with the exception of \$274,892.75, which is the amount appropriated for carrying out the provisions of regulatory acts and other research services.

#### C. Agricultural Extension Service

The total departmental budget request for the Agricultural Extension Service is \$2,927,811.03. This request includes expenditures for administration, County and Home Demonstration Agent, 4-H Club work, and twelve Agricultural Extension departments, which disseminate pertinent information to Kentucky's rural population through agricultural specialists in the various subject matter areas.

A budget request by function is as follows:

<u>Function</u>	<u>1959-60 Budget</u>
General Administration and Expense	\$ 86,670.00
County Agent Service	1,259,716.36
Home Demonstration Agent Service	743,717.00
Other Extension Services	<u>837,707.67</u>
Total	<u>\$2,927,811.03</u>

Of the total request, approximately 69% is allocated for County and Home Demonstration Agent services.

The appropriation of \$837,707.67 for other Extension services provides for 4-H Club work and twelve departments in the Agricultural Extension Service.

#### D. Geological Projects

The appropriation for Geological Projects amounts to \$187,300.00. This program is supplemented by \$46,016.00, which is the amount appropriated for the Kentucky Geological Survey. This is a part of the academic program of the University of Kentucky. The 1958 session of the Legislature transferred from the the Department of Economic Development to the University of Kentucky geological projects and appropriations:

<u>Projects</u>	<u>1958-59 Budget</u>
Eastern Kentucky Minerals and Water Survey	\$ 25,000.00
Minerals Investigations	44,100.00
Topographic Mapping	16,000.00
Water Investigations	<u>102,200.00</u>
Total	<u>\$187,300.00</u>

#### E. Albert B. Chandler Medical Center

The budget request for the Medical Center for the fiscal year 1959-60 totals \$978,500.00. This is an increase of \$540,100.00 over the appropriation for the year 1958-59. The 1959-60 request is for the administration and planning staff, the staff and acquisition of a library for the Medical Center, a faculty to plan and develop programs for the Colleges of Medicine, Nursing, and Dentistry, and the Hospital. The costs of the Infirmary and the Medical Center Physical Plant are also included.

The budget requests on a comparative basis are as follows:

<u>Function</u>	<u>Budget 1958-59</u>	<u>Budget 1959-60</u>	<u>Increase</u>
Administration and Planning Staff	\$146,651.00	\$228,484.00	\$ 81,833.00
Medical Library	75,636.00	78,873.00	3,237.00
Instruction-Departmental	109,184.00	278,280.00	169,096.00
College of Nursing-Administration	12,651.00	23,438.00	10,787.00
Infirmary (health service)	94,278.00	106,825.00	12,547.00
Operation of Physical Plant		<u>262,600.00</u>	<u>262,600.00</u>
Totals	<u>\$438,400.00</u>	<u>\$978,500.00</u>	<u>\$540,100.00</u>

#### II. Auxiliary Enterprises

The appropriation request for the ensuing year is \$617,753.00, which is \$19,425.00 more than the revised approved 1958-59 budget. The request is made for the following Auxiliary Enterprises operations: Donovan Hall, Men's Quadrangle, Keeneland Hall, Women's Residence Halls-Commissary Department, and House Department.

<u>Residence Hall</u>	<u>1959-60 Budget</u>
Donovan Hall	\$122,810.00
Men's Quadrangle	79,990.00
Keeneland Hall	84,336.00
Holmes Hall	100,473.00
Women's Residence Halls - Commissary Department	136,050.00
Women's Residence Halls-House Depart- ment	<u>94,094.00</u>
Total	<u>\$617,753.00</u>

### III. Service Enterprises

This enterprise is composed of the Campus Post Office and its budget request amounts to \$27,580.00.

### IV. Plant Funds

The amount of bonds outstanding and payable on June 30, 1959 will be \$11,077,000.00. Of the \$780,224.00 needed to meet the 1959-60 bond indebtedness obligation, only \$272,747.00 is provided from the General Fund budget request. The remaining portion totaling \$507,477.00 is provided from Restricted Fund transfers, rentals and General Stores. A schedule by source is as follows:

<u>Source</u>	<u>Amount</u>
Student Fees	\$ 71,079.00
General Stores	25,127.00
Auxiliary Enterprises	201,668.00
Restricted Fund Transfers	290,133.00
Rental Income	<u>192,217.00</u>
Total	<u>\$780,224.00</u>

The detail of the appropriation request to meet the 1959-60 bond commitments is as follows:

<u>Particular</u>	<u>Amount</u>
Retirement of Bonds	\$328,500.00
Interest on Bonds Outstanding	345,118.15
Trustee Fees (Bank Charges)	1,274.65
Sinking Fund Reserve	<u>105,331.20</u>
Total	<u>\$780,224.00</u>

Restricted Budgets:

The Board of Trustees has authorized the establishment of various funds classified as Restricted or Trust Funds (Kentucky Revised Statutes 41. 290).

The Board directed that these "private funds and contributions" be retained and deposited in a local bank. Budgets are included herein for most of these monies.

After the adoption of this budget, the acceptance of additional funds by the Board of Trustees, during the fiscal year 1959-60, is considered authorization for spending the funds in accordance with the terms of acceptance.

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Some members of the Board asked questions and, after a general discussion, upon motion duly made, seconded and carried, the budget was accepted as a basis of maximum expenditures for the year 1959-60. The inclusion of the name of any person in the budget is not to be considered as a contract of employment and the Board of Trustees or the Executive Committee shall be authorized to make such changes in the budget as may from time to time be deemed necessary.

A member having questioned some allocation of funds in the Experiment Station budget, that budget was given tentative approval, and the Administration was asked to review the budget as submitted and report to the Executive Committee at its next meeting, which Executive Committee shall have full authority to act.

Q. Approval of Easement for Sewer Line for the Medical Center.

The Vice President, Business Administration, submitted a proposed easement to the City of Lexington for right-of-way for sewer line from the Medical Center site across the front of the site of the Dairy Products building, Donovan Hall residence hall for men, and through property in front and to the side of the Aeronautical Research Laboratory. A plan for the Medical Center pumping station and force sanitary sewer was presented with the sewer route marked thereon. The Vice President, Business Administration, stated that the easement had been checked by legal counsel.

Upon motion duly made, seconded and carried, the easement was authorized approved and executed.



R. Communication from Professor J. W. Martin Read to the Board.

The Chairman of the Board read a communication from Professor J. W. Martin addressed to the Board, requesting salary adjustment. The communication was discussed at some length, and upon motion duly made, seconded and carried, was referred to the Dean of the College of Commerce and the President of the University for further consideration.

S. Cooperstown Rates Communication Discussed.

The Chairman of the Board stated that he had received a communication from the "mayor" of Cooperstown, objecting to the rates which had been established, effective July 1, 1959. The question of rates in housing projects at the University was discussed, and the opinion was expressed that rates should be kept within the provisions of the bond resolutions adopted for the issuance of revenue bonds from which source the funds were secured to construct the housing projects.

No action was taken.

T. Part-time Employee Injury Claim Considered.

Mr. Peterson submitted a request by a part-time student employee for the payment of medical and hospital bills. It was stated that the student received medical care of a slipped disc. The former injury was aggravated while the student was working part time for the Experiment Station. It was stated that the University had no precedent for taking action on this type of medical expense, and after considerable discussion the claim was deferred with the request that additional information be secured and submitted to the Executive Committee for further action.

U. Recess for Luncheon.

The Board recessed at 12:10 p. m. CST and went to the Student Union where a delightful luncheon was served. It re-convened in the Office of the President of the University at 1:20 p. m. CST and again took up the agenda.

V. Approval of Candidates for Degrees in February.

Dr. Leo M. Chamberlain, acting for President Dickey, submitted a list of candidates for degrees who had completed their work at the close of the first semester of the academic year 1958-59. He stated that the list had been recommended by the University Faculty.

CANDIDATES FOR DEGREES WHO COMPLETED THEIR WORK  
AT THE CLOSE OF THE FIRST SEMESTER  
1958-59

COLLEGE OF ARTS AND SCIENCES

Bachelor of Arts

Philip L. Barbee  
Gene Gregory Bush  
Delia Burbank Cothrun  
David Lindon Goodloe  
Jordan Hoclick  
Francis Edward Johnston  
David Pratt Klaiber  
Judith Marshall Lane  
Garnett Julian Leonard

Ethel Faw Mullins  
Josephine Haywood Patton  
Joan Helen Shear  
John Franklin Souder  
Marian Louise Van Horne  
Hugh Howard Waterhouse  
William Stuart Wester  
Helen Ogden Wood  
June Elaine Zuverink

Bachelor of Science

Ronald Geddes Atkins  
Marvin Barker  
Robert Bailey Binford  
Roy Leslie Clemons  
Robert Donald Cooke  
Gordon Eugene Demerson  
Donald Grant Ehleben  
Charles Wendell Fawns

Ernest Campbell Holbrook  
Jerry William Koppman  
Wardell Lavon Lewis  
Kenneth Caesar Moore III  
Novis Beacher Powers  
Kenneth Arnold Shubak  
Robert Warren Whalin

Bachelor of Arts in Journalism

Donald Clarke Deaton

Audrey Ann Roberts

Bachelor of Science in Medical Technology

Donna Kay Albee

COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Bachelor of Science in Agriculture

Charles William Adams  
Eugene Farrell Asher  
Fred Baker  
Alva Calloway Bennett  
Robert Jordan Bradford  
Leroy Chumbler  
Dawson Glenn Eckler  
Virgil David Florence

Louis Lee Haggin III  
Bernard E. Horsley  
William Sterling Johnson  
Paul Wallace Jones  
Harmon Eugene Lee  
Lester Ping Lobb  
James Allan McWilliams  
Tommy Harold Mink

Joe Oliver Owens  
 Jerry Lawrence Rexroat  
 Lynn J. See  
 John Daniel Shugars

Jones Hazelwood Smiley  
 George Larkin Summers  
 Harold Ray Taylor  
 William Harold Wood

Bachelor of Science in Home Economics

Grace Carolyn Anderson  
 Lula Elizabeth Clarkson  
 Vera Mae Conrad  
 Barbara Jo Johnson

Betsy Ann Johnson  
 Mary Winn Leake  
 Gail Rowland

COLLEGE OF ENGINEERING

Bachelor of Science in Civil Engineering

William Henry Baker  
 George Maurice Blakeman  
 Billy Gordon Bridges  
 Ernest Eugene Brown  
 Ivan Childers  
 James Richard Cobb  
 James Dale Davidson  
 Robert Curtis Fields  
 Daniel James Garland  
 John Owen Hibbs  
 Harry Ralph Honaker  
 William Robert Keown

Riley Nelson Kinman  
 Stephen Bean Logan III  
 John Elias McChord  
 Robert Brown Quisenberry  
 Stuart John Riehl  
 Theodore Serrenho  
 Eloy Quan Sham  
 Eugene Franklin Smith  
 Leonidas Anibal Tejada  
 Donald Querk Wallace  
 Jack Warren Wright

Bachelor of Science in Electrical Engineering

Hugh Cleveland Card  
 Ezekiel Field Clay IV  
 Jerry Lynn Cobb  
 Robert Lee DeForest  
 George Ellis, Jr.  
 James Clay Ely  
 Melvin Clinton Gilreath  
 Paul Lawrence Guthrie  
 Derl Nelson Harper  
 Fred Anderson Helvy  
 Ben Allen Johnson  
 Preston LeRoy Jolly  
 He Bong Kim  
 Eugene Lawson King  
 Stathis George Linardos

Dentis Stephens McDaniel  
 Thomas Stewart Means  
 Robert Earl Moore  
 Frazier Joseph Phillips  
 Vernon Haney Powell  
 Pasa Sari  
 Wayne Allen Schneider  
 Glenn Austin Smith  
 Roy Dan Squires  
 Homer Allen Schirmer  
 Donald Ray Stephens  
 Paul Wheeler, Jr.  
 James Monroe Williams  
 Dewey Alfred Young

Bachelor of Science in Mechanical Engineering

Malcolm Keith Abbott	Paul Johnson McDaniel
John William Alcorn	Gerald Edwin Otis
William John Brokamp	Roger Walter Perry
Walter Melvin Buschelman	Ronald Coleman Poe
Dalton Dewey Fleshman	Jerry Allen Risk
Edwin Cyril Johnson	Gerald Charles Saladin
Billy Ray Kersey	William Patrick Schnatter
Chesley Martin Lain	Charles Michael Simpson
Henry Clay Lewis	Wendell Ray Trumbo

Bachelor of Science in Metallurgical Engineering

Frank Wayne Bennett	Carter Gene Brown
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COLLEGE OF LAW

Bachelor of Laws

Harry Wendell Cherry	Garland Whitt Howard
Richard Maurice Compton	Gross Clay Lindsay
Richard Dewey Cooper	James Hackett Lucas
William Ray Forester	James B. Miniard
Thomas Milledge Galphin	Bobby Knox True
Kent Parrott Hollingsworth	Stuart Yussman

COLLEGE OF EDUCATION

Bachelor of Arts in Education

Betty Gayle Baxter	Matthew Howard Nevels
Billy Rexroat Boone	Patricia Anne Peaslack
Philip Harson Brawner	Penelope Riddle
Mary Lou Carter	Bueford Risner
Ben Hale Coke	Betty Richardson Schwall
Sylvia Jean Jandacek Cravens	Mildred W. Sparks Small
Sara Conchita Dean	Owen Bennett Smith
Eugene Porter Drake	William Ronald Smith
Eugene Debs Freeman	Barbara Joyce Snarr
Jane Eleanor Harris	Richard Eugene Spradlin
Wilbur Henry Herrmann	James Bert Sullivan
Blanche Marie Hutchinson	Howell Clifton Tribble
Carolyn Sue Jones	Georgia Corean Wells
Patricia Shelton Koppman	Robert Edwin Williams
William Henry Livings, Jr.	Albert Edwin Wright
Betty Jane McEwan	

## COLLEGE OF COMMERCE

Bachelor of Science in Commerce

Robert Wesley Anderson  
 James Robert Bailey  
 Bobby Eugene Baldwin  
 Vernon Elwood Barber  
 James Lewis Blakeman  
 Bobby Gene Burgess  
 James Donald Cain  
 Henry Alvin Carroll  
 Victor Allen Clark  
 William Ray Cobb  
 Harold Bridgebane Copley  
 Paul Edward Crump  
 Dan Garey Evans  
 John Vincent Favorita  
 Robert Lee Hines  
 Ernst Norbert Hochberger  
 Marcella Ann Hudson  
 John Robert Johnson  
 Nancy Foley Johnson  
 Thomas Ray Johnson  
 Thomas Logan Jones  
 William Joseph Kenney

Richard Augustine Macomb III  
 William Jackson May  
 John Allen McKinney  
 Charles Minor Moore, Jr.  
 Alvin Cecil Nash  
 Peggy Ann Norman  
 Marvin Clayton Parrett  
 Robert Challie Pelfrey  
 William Jennings Quest, Jr.  
 George David Ravencraft  
 John S. Richardson  
 Joseph Waller Rodes III  
 Everett Tarleton Rogers  
 Charles Henry Rogers  
 William Bittner Schneider  
 Frederick Gale Shirley  
 Gene Douglas Simmons  
 Gene Frederick Stoll  
 Joseph Dalton Tobin, Jr.  
 Jeannette Ward  
 Carroll Lee Wood  
 Nancy Claire Adamson Yeaste

## COLLEGE OF PHARMACY

Bachelor of Science in Pharmacy

Vaira Ilma Otvars

## GRADUATE SCHOOL

Master of Arts

Mary Nash Cox  
 Harvey Helm Embry, Jr.  
 Jimmie Lee Hardison  
 Ann Brown Matheny

Mary Campbell Prichard  
 William Taswell Sledd  
 Dorothy Wesley Starr  
 Austin Theodore Turk

Master of Science

Melvin Bernard Kramsky  
 George Ray Laughlin

Louis Robert Ponsetto  
 Margaret L. Simons

Master of Arts in Education

Ethel Mae Arthur  
 Clyde Carter Cropper  
 Juanita Turner Fletcher  
 Donovan Hill  
 James Richard Hopkins  
 Howard Philip Jones

James Allen Kiger  
 Hazel White Maggard  
 Mildred Masters  
 Sophie Lee Goolman Osborne  
 Martha Lester Scudder  
 Willis Brown Simpson

Master of Science in Education

Lee Brown

Master of Science in Agriculture

Robert Leonard Carter  
 Dreux deNettancourt  
 James Edsel Marion  
 James Richard Meiman

Dana Howard Saylor  
 Edward White Stroube  
 Raymond Wilson

Master of Science in Civil Engineering

Ray French Kemp

Master of Science in Mechanical Engineering

Harry Louis Mason

Master of Science in Metallurgical Engineering

Edward Louis Bedell

Master of Music

Lucille Stonebraker Bradley

Master of Science in Library Science

Agnes McDowell  
 Don William McNeil

Louise Chang Yang

Doctor of Philosophy

Leo Kaufman  
 Irwin Wolf Kidorf  
 Charles John Korpics  
 John Lynn Lubker  
 Eva Neumann

Donald Herbert Painting  
 Bady Quintar  
 Ernest Lloyd Rhodes  
 Richard Kenneth Wolford

Doctor of Education

Frank Hall Stallings

Upon motion duly made, seconded and carried, the list of candidates for degrees was approved and the President was authorized to confer upon each the degree to which he is entitled by delivering a properly signed and approved diploma to the recipient entitled to receive such document.

W. Honorary Degrees Granted.

Doctor Chamberlain submitted the names of two persons for honorary degrees and stated that they had been recommended by the Graduate Faculty and the University Faculty for honorary degrees at the May Commencement, 1959. He presented a citation for each person and recommended action by the Board of Trustees.

Some discussion followed, and upon motion duly made, seconded and carried, honorary degrees, Doctor of Science and Doctor of Laws, were authorized conferred upon the two recipients named and approved. The names will be withheld and inserted in the May minutes of the Executive Committee in order that notification and acceptance by the recipients may be secured prior to publication.

X. Additions to Graduate Faculty Approved.

Doctor Chamberlain submitted the following list of professors and recommended their appointed to the Graduate Faculty of the University. He stated that their personal credentials had been studied carefully by the Graduate Council and that the Council and Dr. Herman E. Spivey, Dean of the Graduate School, recommended appointment of the following:

Harold R. Binkley, Associate Professor of Agricultural Education

Richard A. Chapman, Associate Professor of Plant Pathology

William H. Knisely, Chairman of Department of Anatomy,  
College of Medicine

Lucile L. Lurry, Associate Professor of Education

George W. Schwert, Chairman of Department of Biochemistry,  
College of Medicine

Granville W. Stokes, Assistant Professor of Plant Pathology.

Upon motion duly made, seconded and carried, the professors enumerated above were authorized approved and appointed to membership on the Graduate Faculty.

Y. Grants-in-Aid Approved.

Doctor Chamberlain submitted a request of Dr. M. M. White, Dean of the College of Arts and Sciences, for grants-in-aid in Debate, Music and Radio Arts for the summer school of 1959 and the academic year, 1959-60. He recommended four grants-in-aid in Debate; 60 grants-in-aid in Music; and 16 grants-in-aid in Radio Arts. Doctor Chamberlain concurred in the recommendation.

Upon motion duly made, seconded and carried, 4 grants-in-aid in Debate; 60 grants-in-aid in Music; and 16 grants-in-aid in Radio Arts were approved for the summer of 1959 and the academic year, 1959-60.

Z. Free Scholarships, Southern Regional Training Program  
Granted.

Doctor Chamberlain submitted a recommendation that University fees be waived for Fellows in Public Administration in the Southern Regional Training Program. He stated that the University has entered into the program with two or three other southern universities and this is a continuation of an existing arrangement. The Fellows in Public Administration are: John A. Dyer, Robert Freeman, Gladys Carolyn Musselwhite, Edward Theodore Plitt, Jr., Earl E. Staton and Joanne Wright.

Upon motion duly made, seconded and carried, the six students listed above were authorized granted free-fee scholarships as requested.

A-1. Bandung Staff Appointments Approved.

Doctor Chamberlain recommended the approval of change in faculty rank for Robert S. Grumbach from Assistant Professor to Associate Professor, and the appointment of James Noffsinger to the rank of Associate Professor of Architecture. He stated that these professors are working in Indonesia on ICA contract and are employed only for the duration of the time they are working on the Indonesian contract.

Upon motion duly made, seconded and carried, the recommendation was concurred in and Robert S. Grumbach was named Associate Professor and James Noffsinger was appointed to the rank of Associate Professor of Architecture, as recommended.

B-1. Resolution on Death of Dr. Charles Barkenbus.

Doctor Chamberlain stated that he regretted to report the sudden death of Dr. Charles Barkenbus who had been a very fine, loyal teacher at the University for a period of about 39 years. He submitted the following Resolution with recommendation for adoption and direction that a copy be sent to Mrs. Barkenbus.



### Resolutions on the Death of Charles Barkenbus

Dr. Charles Barkenbus, Professor of Organic Chemistry in the University of Kentucky, died February 21, 1959. A native of Michigan, he graduated from Kalamazoo College in 1917. For a period of three years he was a teaching assistant at Yale University, where he was awarded the Ph. D. degree in organic chemistry in 1920.

In September, 1920, he joined the faculty of the University of Kentucky as an assistant professor. He was promoted to an associate professorship in 1924 and to a full professorship in 1930. Early in his career he spent several summers in industrial research laboratories.

Throughout his thirty-nine years of service for the University of Kentucky he was recognized as one of the outstanding teachers on the campus. His well organized, clearly presented lectures, together with the type of personality which provided both encouragement and challenge left enduring favorable impressions upon his students.

Despite a heavy teaching load, he found time to conduct research in the area of organic synthesis. From these activities approximately twenty-five research papers have been published in the leading chemical journals. In a period of rapid chemical developments, he remained constantly well informed about current progress.

Professor Barkenbus' time and energy were always given freely to campus organizations such as the Lexington Section of The American Chemical Society, the Society of the Sigma Xi and the Research Club. Throughout the years he has served all of these organizations as officer, counselor and loyal participating member. Among numerous outstanding achievements in the Department of Chemistry may be mentioned his work as Chairman of the Departmental Library Committee. Under his guidance there has been built one of the best chemistry departmental libraries in the United States in a university of this size.

In Dr. Barkenbus' passing the students have lost a wise counselor, the staff an esteemed colleague and the University one of its best teachers.

Upon motion duly made, seconded and carried, the Board of Trustees authorized adoption of the Resolution and ordered it made of record and a copy sent to the family.

#### C-1. Position of Assistant Dean of Men Established.

Doctor Chamberlain stated that Dr. L. L. Martin, Dean of Men, had requested, and President Dickey had approved the creation of the position of Assistant Dean of Men before he left for Indonesia. Doctor Chamberlain recommended that the position be established and that Mr. Kenneth E. Harper, presently Executive Secretary of the University YMCA, be promoted to fill this assignment. He stated that Mr. Harper will complete his requirements for the Ph. D. degree in June, 1959, and that he has demonstrated excellent administrative ability, superior capacity for working with students and unusual effectiveness in working cooperatively with other administrators in mutual endeavors. He is an ordained minister, a

man of exceptional stature in his church group, and a person who has won the respect of his colleagues.

Board members discussed the recommendation, and upon motion duly made, seconded and carried, the position of Assistant Dean of Men was established and Mr. Kenneth Harper was appointed, effective July 1, 1959, at the provided salary.

#### D-1. Free-Fee Scholarships for Foreign Students Approved.

Doctor Chamberlain stated that the Committee on Foreign Students, headed by Dr. A. E. Bigge, recommended that the following students be given \$600.00 scholarships from the Mary Voorhies Haggin Fund, plus free-fee allowances: Mohamed Raja Durayni, Syria; Sonya Barreiro, Mexico.

The Committee also recommended that free-fee awards be made to Miss Ayhan Aydogdu, from Turkey, with the understanding that the Pan-hellenic scholarship will be granted this student for the next academic year.

The Committee also recommended free-fee scholarships granted to the following foreign students: Ju Hsi Chou, China; Li Ma, China; Michiko Shikata, Japan; Yuhman Wu, China; Georgette Jeries, Palestine; Meral Bara, Turkey; Amir H. Farzam, Iran; Ali Paydarfar, Iran; Gilberto Cuadra, Nicaragua; Elizaba Zachariah, India.

It was further recommended that, in the event any of the above-named students are unable to take advantage of the grants, alternates be approved to take their places. The list of alternates follows: Kishwar Mirza, India; Kee Hyung Lee, Korea; Maria Paes, India; Huseyin Kalkavan, Turkey; Jayant Lele, India; Jean-Lue Rocour, Belgium; Be Shiao, China; Ishwarlal Patel, Kenya; and Ishvari Kannangara, Ceylon.

Upon motion duly made, seconded and carried, the recommendations were concurred in.

#### E-1. Gifts.

From: W. Atlee Burpee Company, Philadelphia,  
Pa. --\$100.00.

Doctor Chamberlain presented check of the W. Atlee Burpee Company in the amount of \$100.00 to be used to furnish a scholarship to a student in the Department of Horticulture. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$100.00 was ordered accepted, and the Vice President was requested to write a letter of appreciation to the W. Atlee Burpee Company.

From: International Minerals & Chemical Corporation, Chicago, Illinois--\$5,000.00.

Doctor Chamberlain reported receipt of check for \$5,000.00 from the International Minerals and Chemical Corporation, Chicago, Illinois, to be used for renewal of their grant for pasture studies in Simpson County, Ky., under the Experiment Station's pasture fertilization research program. He recommended that the grant be accepted.

Upon motion duly made, seconded and carried, the gift of International Minerals & Chemical Corporation was ordered accepted and the Vice President was requested to write a letter of appreciation to officials of the Corporation.

From: Distillers Feed Research Council, Cincinnati, Ohio--Checks Amounting to \$5,000.00.

Doctor Chamberlain presented two checks, for \$2,000.00 and \$3,000.00 respectively, from the Distillers Feed Research Council in Cincinnati, and stated that these gifts represent a continuation of the Council's support for the Experiment Station's research projects, "Factors Affecting the Utilization of Low-Quality Roughage by Stocker Steers" and "The Effect of Distillers' By-Products on Roughage Utilization by Ruminants". He recommended that the checks be accepted.

Upon motion duly made, seconded and carried, the gifts above named were ordered accepted, and the Vice President was requested to thank the donors.

From: The Mead Corporation Foundation, Dayton, Ohio--\$400.00.

Doctor Chamberlain reported that The Mead Corporation Foundation had presented to the University their check for \$400.00, given in support of a scholarship in Chemical Engineering. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the gift of The Mead Corporation was ordered accepted, and the Vice President was requested to thank the donors.

From: Kentucky Purebred Livestock Improvement Association--\$1,500.00.

Doctor Chamberlain reported that the University was in receipt of check for \$1,500.00 from the Kentucky Purebred Livestock Improvement Association, to be used in furthering the Association's program in the State. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of the Kentucky Purebred Livestock Improvement Association was ordered accepted, and the Vice President was requested to write a letter of appreciation to the donors.

From: Miss Daisy Hume, Delray Beach, Florida  
--\$100.00.

Doctor Chamberlain reported that Miss Daisy Hume had given to the University \$100.00 to be used as a scholarship for a forestry student. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of Miss Daisy Hume was ordered accepted, and the Vice President was requested to express to her the appreciation of the Board.

From Mr. Herschel Weil, Weil Land and Livestock  
Company, Paris, Ky. --\$200.00.

The Vice President reported that Mr. Herschel Weil had given to the University his check for \$200.00, to be added to the Jonas Weil Memorial Scholarship fund. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$200.00 from Mr. Herschel Weil was ordered accepted, and the Vice President was requested to write a letter of appreciation to Mr. Weil.

From: Lilly Endowment, Inc., Indianapolis, Ind.  
-- \$35,800.

Doctor Chamberlain reported that the Lilly Endowment, Inc., had transmitted to the University their check for \$35,800, in full payment of their grant for completion of the editorial work on The Papers of Henry Clay. He recommended that this grant be accepted.

Upon motion duly made, seconded and carried, the gift of \$35,800 was ordered accepted and the Board asked the Vice President to express to Lilly Endowment, Inc., their appreciation.

From: Yeager, Ford & Warren, Certified Public  
Accountants, Louisville, Ky. -- \$100.00.

Vice President Chamberlain presented check for \$100.00 received from Yeager, Ford & Warren, and explained that this is the annual remittance in support of an award established by that firm several years ago. He recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the gift of \$100.00 was ordered accepted and used for the purpose intended, and the Vice President was requested to thank officials of the accounting firm.

From: National Plant Food Institute, Washington,  
D. C. --\$200.00.

The Vice President presented check for \$200.00 from National Plant Food Institute, to be used as an achievement award in Agronomy, and recommended its acceptance.

Upon motion duly made, seconded and carried, the gift of National Plant Food Institute was ordered accepted, and the Vice President was requested to thank the donors.

From: National Merit Scholarship Corporation,  
Evanston, Indiana --\$300.00.

Vice President Chamberlain presented check for \$300.00 from National Merit Scholarship Corporation, given as supplemental grant to the University of Kentucky for the year 1958-59. He stated that such help as this means a great deal to many deserving students who might not be able to obtain a college education otherwise, and recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$300.00 was ordered accepted and Doctor Chamberlain was requested to write a letter of appreciation to the donor organization.

From: Mr. Philip D. Sang, 1025 North Lathrop  
Avenue, River Forest, Illinois --  
\$4,023.10.

Vice President Chamberlain reported that Mr. Philip D. Sang, River Forest, Illinois, had made to the University a gift of \$4,023.10 for the specific purpose of purchasing from the Carnegie Book Shop in New York two portraits, one of Dr. Johnson and one of Alexander Pope. Both of these portraits are eighteenth century pieces executed in the studio of Sir Joshua Reynolds. Doctor Chamberlain recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of Mr. Philip D. Sang was ordered accepted, and the Vice President was requested to write a letter of appreciation to Mr. Sang.

From: Keeneland Foundation--\$12,000.

Vice President Chamberlain reported receipt of check from the Keeneland Foundation in the amount of \$12,000, which represents part payment on an allocation which the Foundation has made to construct two isolation units on the Agricultural Experiment Station farm. He recommended that the donation be accepted.

Upon motion duly made, seconded and carried, the gift of Keeneland Foundation was ordered accepted and the Vice President was requested to write a letter, thanking officials of the Foundation.

From: Fischer Packing Company, Louisville, Ky.--  
\$10,000.

Doctor Chamberlain presented check for \$10,000 given by the Fischer Packing Company for use in research work with meat type animals. He stated that this gift would mean a great deal to the Experiment Station's research program and recommended that it be accepted.

Upon motion duly made, seconded and carried, the gift of the Fischer Packing Company was ordered accepted, and the Vice President was requested to thank officials of the Company.

From: General Electric Educational & Charitable  
Fund, Ossining, N. Y.--\$212.50.

Doctor Chamberlain stated that the General Electric Educational & Charitable Fund has given to the University their check for \$212.50, which sum matches the sum of individual gifts made to the University during the final quarter of 1958 by alumni who are employees of the General Electric Company. He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$212.50 was ordered accepted and the Vice President was requested to write a letter in acknowledgment.

From: The Modine Company, Racine, Wisconsin--  
Two Gas-fired Propeller Unit Heaters.

Vice President Chamberlain announced that The Modine Company had given to the Department of Horticulture two gas-fired propeller unit heaters, with a wholesale price of approximately \$205.00 each. He recommended acceptance of the heaters which he considered of great potential value to the department.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the Vice President and requested that he thank the donors.

F-1. Appointments and Other Staff Changes.

Vice President Chamberlain 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

Loren J. Chapman, Associate Professor, Department of Psychology, effective August 1, 1959 through June 30, 1960.

Barbara Ann Maranville, Secretary, Social Work, effective March 9, 1959 through June 30, 1959.

Robert Lee White, Instructor, Department of English, effective September 1, 1959 through June 30, 1960.

Mary A. Gillham, Visiting Instructor, Department of Library Science, effective July 1, 1959 through August 31, 1959.

Eunice Query, Visiting Instructor, Department of Library Science, effective July 1, 1959 through August 31, 1959.

Reappointment

Charles Norman Vittitoe, Instructor, effective July 1, 1959 through August 31, 1959.

Resignations

Helen Marie Davis, Secretary, Social Work, effective February 28, 1959.

Camille H. Halyard, Head and Assistant Professor, Radio Arts, effective June 30, 1959.

Deceased

Charles Barkenbus, Professor, Department of Chemistry, deceased on February 21, 1959, effective February 28, 1959.

Adjustments in Salary

C. Raymond Barnhart, Saturday art classes, with adjustment in salary, lump sum due May 1, 1959.

John G. Dardis, Assistant Professor, Department of Physics, adjustment in salary, effective June 1-30, 1959.

Leaves of Absence

Richard Hanau, Associate Professor, Department of Physics, on sabbatical leave, leave July and August, effective July 1, 1959 through August 31, 1959.

Blaine W. Schick, Assistant Professor, Modern Foreign Languages, sabbatical leave, effective September 1, 1959 through June 30, 1960.

Lewis W. Cochran, Professor, Department of Physics, leave of absence, effective July 1, 1959 through August 31, 1960.

Change of Status

Dorothy C. Chrisman, Part-time Instructor, changing to Research Assistant, with adjustment in salary, effective March 1, 1959 through May 31, 1959.

## COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Appointments

Bernice Marsh Bradley, Clerk-Stenographer, Agricultural Extension, effective March 16, 1959.

Yvonne Cornett, Clerk, Knott County, effective March 1, 1959.

Cathryn Drake, Clerk, Butler County, effective February 16, 1959.

George A. Marlowe, Jr., Extension Specialist in Horticulture, effective March 16, 1959.

Randall R. Reed, Farm Foreman, Spindletop Farm, effective March 1, 1959.

Joan Bart Sexton, Clerk-Stenographer, Agricultural Extension, effective March 9, 1959.

Lula Mae Stone, Clerk, Wolfe County, effective March 1, 1959.

James A. Street, Temporary Extension Assistant, effective March 16, 1959.

Gerry Sue Wilson, Clerk, Barren County, effective February 16, 1959.

Robert H. Hatton, Laboratory Technician, effective April 1, 1959.

Wilfred J. Huffman, Acting Registration Inspector, effective April 20, 1959 through May 31, 1960.



Winnifred A. Shane, Temporary Instructor, School of Home Economics, effective June 1, 1959 through July 31, 1959.

### Reappointments

Elizabeth G. Thompson, Clerk, reappointed February 1-27, 1959.

J. W. Whitehouse, Technical Leader, Agricultural Extension, reappointed effective March 1, 1959 through September 5, 1959, with adjustment in salary, effective March 1, 1959.

### Resignations

Robert A. Aldrich, Associate Professor and Associate Agricultural Engineer, effective January 31, 1959.

John W. Cameron, Aid, Experiment Station, effective February 28, 1959.

Patricia Combs, Clerk, Knott County, effective February 23, 1959.

Carol Fay Doolin, Clerk, Butler County, effective February 14, 1959.

Norma Rae Hammons, Clerk-Stenographer, Agricultural Engineering, effective March 31, 1959.

Leo Dale Haws, Assistant Entomologist, effective March 31, 1959.

Revia C. Langford, Clerk-Stenographer, Extension, effective March 7, 1959.

Peter T. McNeill, Jr., County Agricultural Extension Agent, Fleming County, effective March 31, 1959.

Norma D. Marshall, County Home Demonstration Extension Agent, Caldwell County, effective April 30, 1959.

Barbara B. Stone, Clerk, Wolfe County, effective February 28, 1959.

Donald Stone, Assistant Herdsman, effective February 15, 1959.

Edith Bush Wilson, Stenographer, effective March 9, 1959.

### Retirement

Robert M. Heath, County Agricultural Extension Agent, Franklin County, retiring on Civil Service, effective July 31, 1959.

Adjustments in Salary

James E. Humphrey, Extension Specialist in Poultry, adjustment in salary, effective March 1, 1959.

Wilbur W. Magill, Extension Specialist, adjustment in salary, effective March 1, 1959.

Nancy J. Ratcliff, Clerk-Stenographer, Agricultural Extension, adjustment in salary, effective March 1, 1959.

C. A. Wicklund, County Agricultural Extension Agent, Kenton County, adjustment in salary, effective March 1, 1959.

Leaves of Absence

Anne M. Clemmons, Associate Professor, School of Home Economics, sabbatical leave, effective June 1 through July 31, 1959.

Wilfred I. Farmer, Extension Specialist on sabbatical leave, returning to full-time employment, effective February 1, 1959.

Donnetta J. Spicer, Clerk-Stenographer, Agricultural Extension, effective March 20, 1959 to approximately April 20, 1959.

William Y. Varney, Assistant Animal Husbandman on sabbatical leave, additional leave, effective March 4, 1959 through August 31, 1959.

Frank J. Welch, Dean and Director, College of Agriculture and Home Economics, Agricultural Extension and Agricultural Experiment Station, returning from leave, effective February 15, 1959.

Carroll D. Phillips, Economist, Experiment Station, sabbatical leave, effective July 1-31, 1959.

David M. Daugherty, Registration Inspector, leave effective May 5, 1959 through May 31, 1960.

George Edward McKinney, on leave, returning as Assistant County Agricultural Extension Agent, Franklin County, effective April 6, 1959.

Changes of Status

Jewnettie M. Darnell, Assistant Home Demonstration Extension Agent in Training, Boyd County, changed to County Home Demonstration Extension Agent, Boyd County, effective March 1, 1959.

Ruth Ham, Clerk, Butler County, adjustment in salary, effective March 1, 1959.

Dorothy Ann Morton, Assistant Home Demonstration Extension Agent in Training, Casey County, changed to Home Demonstration Extension Agent, Metcalfe County, with adjustment in salary, effective March 1, 1959.

## COLLEGE OF ENGINEERING

### Appointments

Lella Pearl Caffey, Clerk-Stenographer, effective March 1 through May 20, 1959.

Silvio O. Navarro, Assistant Director of Computing Center and Associate Professor, Electrical Engineering, effective July 1, 1959 through June 30, 1960.

### Reappointments

J. A. Burka, Research Associate, reappointed, effective March 1, 1959 through March 31, 1959.

R. E. Swift, Professor and Director, Mining and Metallurgical Engineering, reappointed by Kentucky Research Foundation, effective March 1-31, 1959.

### Adjustment in Salary

O. W. Gard, Associate Professor, adjustment in salary, due to termination of employment as Engineer with K. R. F., effective April 1, 1959.

### Leave of Absence

Lena Helen Hodges, Clerk-Stenographer, leave, effective March 12, 1959 through May 31, 1959.

## COLLEGE OF EDUCATION

### Appointments

Myrtle Ellen Gordon, Secretary, Division of Instruction, effective February 2, 1959.

Clara McCracken, Instructor, effective February 1, 1959 through June 30, 1959.

### Resignations

Katharine K. Baldwin, Secretary, effective February 3, 1959.

Jeanne G. Callihan, Instructor, effective January 31, 1959.

William Judge, Critic Teacher, effective January 31, 1959.

Rosalie F. Spivey, Secretary, effective March 21, 1959.

The following persons to receive compensation for either teaching or helping with one class during the first semester, 1958-59: Ray Alexander, Estelle Adams, Jesse Gardner, Edsel Godbey, Luther Jones and Charles Manker.

## COLLEGE OF COMMERCE

### Appointments

Paul Rex Tarpey, Instructor (to serve as Data Processing Chief in Computing Center), effective July 1, 1959 through June 30, 1960.

Betty Bennett, Secretary, Bureau of Business Research, effective March 25, 1959.

### Resignations

Frances Alcorn, Secretary, Bureau of Business Research, effective March 25, 1959.

CORRECTION: Ann B. Egerton, Secretary, Bureau of Business Research, resigned, change resignation date from March 30, 1959 to March 14, 1959, effective March 14, 1959.

Nina Gorski, Assistant Secretary, Bureau of Business Research, effective April 1, 1959.

## MEDICAL CENTER

### Appointments

Martha C. Ritchie, Secretary, effective March 16, 1959.

Joseph B. Parker, Jr., Chairman of Department of Psychiatry and Professor of Psychiatry, effective July 1, 1959.

Helen Mae Greif, Library Assistant, effective April 1, 1959.

### Resignations

Mary Lou Allen, Secretary, effective February 20, 1959.

Vada Irene Lohr, Library Assistant, effective March 11, 1959.

Rose Schilling Shrimpton, Administrative Assistant, effective February 28, 1959.

## GRADUATE SCHOOL

## Haggin Scholarships

Appointment

Mary Powell Phelps, Haggin Scholar, effective April and May, 1959.

Resignation

Thomas Lockart Wilborn, Haggin Scholar, resigned, effective April 1, 1959.

## UNIVERSITY EXTENDED PROGRAMS

Appointment

William B. Sanders, Part-time Instructor in Geography, Northern Center, effective February 1, 1959 through June 30, 1959.

Reappointment

Joe Mock, Part-time Instructor in Psychology, effective February 1, 1959 through May 30, 1959 (Ashland Center).

Resignations

Louis Brown, Part-time Instructor in Psychology, effective February 1, 1959 (N. Center).

Mary Alice Goins, Instructor, effective February 1, 1959 (Ashland Center).

Robert Shearer, Part-time Lecturer in Hygiene, Northern Center, effective February 1, 1959.

Adjustments in Salary

A. G. Oliver, Evening Class Instructor, adjustment in salary, effective January 23, 1959.

William G. Wheeler, Instructor, Ashland Center, to teach an additional class, with adjustment in salary, effective January 26, 1959.

## OFFICE OF THE PRESIDENT

## PLACEMENT SERVICE

Change of Status

Jean D. Sidebottom, Stenographer (part-time), changing to full-time, with adjustment in salary, effective April 1, 1959 through June 30, 1959.

## PUBLIC RELATIONS

Appointment

Judy Stoothoff, Information Assistant, effective March 2, 1959 through June 30, 1959.

Resignations

Boyd Keenan, Director, News Bureau, effective June 30, 1959.

Paulene B. Sweeney, Information Assistant, effective February 28, 1959.

## UNIVERSITY PRESS

Resignation

Marjorie M. Dysart, Editorial Assistant, effective January 31, 1959.

## OFFICE OF THE VICE PRESIDENT

## DEAN OF ADMISSIONS AND REGISTRAR

Resignation

Emma Jane Graves, Assistant Admissions Officer, effective March 31, 1959.

Leave of Absence

Sarah A. Utterback, Assistant Admissions Officer, leave, effective May 7, through June 9, 1959.

## LIBRARY

Resignation

Willie Hughes Adams, Assistant in Acquisitions on leave, resigned, effective February 16, 1959.

## COMPUTING CENTER

Appointments

Agnes Campbell, Key Punch Operator, effective February 16, 1959.

Paul Rex Tarpey, Data Processing Chief (to serve also as Instructor in College of Commerce), effective July 1, 1959 through June 30, 1960.

Silvio O. Navarro, Assistant Director of Computing Center and Associate Professor, Electrical Engineering, effective July 1, 1959 through June 30, 1960.

## OFFICE OF THE VICE PRESIDENT, BUSINESS ADMINISTRATION

## DIVISION OF ACCOUNTING

Appointments

Janice S. Deaton, Jr. Bookkeeping Machine Operator, effective February 6, 1959.

W. C. Johnson, Senior Account Clerk, effective February 1, 1959.

## STENOGRAPHIC BUREAU

Appointment

Barbara Moore, Multilith Operator, effective February 21, 1959.

## PURCHASING

Appointment

Thomas Carroll White, Capital Inventory Clerk, effective March 1, 1959.

Resignation

David Siegel, Assistant Director of Purchases, effective April 14, 1959.

## AUDITING OFFICE

Appointment

Doris Jean Mastin, Clerk-Typist, effective February 1, 1959.

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

G-1. Adjournment of Board.

Upon motion duly made, seconded and carried, the Board adjourned at 2:25 p. m. , CST.

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