Minutes of Board Meeting
March 1, 1961

The regular quarterly meeting of the Board of Regents of Western Kentucky State College was held in Room 16A of the Kentucky Hotel, Louisville, Kentucky, on Wednesday, March 1, 1961, at 1:00 p.m., Central Standard Time.

Presiding was Chairman Wendell P. Butler.

The meeting was opened with a prayer of invocation by Mr. Maxey B. Harlin.

There were present, in addition to Mr. Butler, Mr. Maxey B. Harlin, Mr. Douglas Keen, Mr. Hugh Poland, Mr. Bemis Lawrence, and Mr. Owen C. Hammons.

Dr. Gerald Edds was unable to attend.

Also present were President Kelly Thompson; Miss Etta J. Runner, Secretary to the Board; Mr. Billy Smith, Business Manager; Miss Georgia Bates, Secretary to the President; and Mr. Franklin P. Hays, Bond Counsel, representing the firm of Skaggs, Hays and Fahey.

The motion was made by Mr. Lawrence that the reading of the minutes of the meeting of December 13, 1960, be dispensed with inasmuch as each member had previously been furnished a copy. The motion, seconded by Mr. Hammons, carried unanimously.

The next item of business on the agenda was a progress report by President Thompson on the New Residence Hall for Men, identified as Project No. CH-Ky-41(D). The President stated that the College had exerted considerable pressure on the contractor and that, at the present time, construction was moving on schedule. He added that a close check would be kept in order to insure the completion of the building on the scheduled date.

President Thompson stated that in connection with the construction of the New Residence Hall for Men, with appurtenant facilities, to house approximately 200 male students, a snack bar to accommodate approximately 300 persons, and two faculty apartments, it was necessary for the Board of Regents to adopt a resolution authorizing the issuance of bonds to finance such construction and recommended the authorization and sale of $675,000 of bonds.

Then, Mr. Lawrence introduced and caused to be read in full the following resolution:

A RESOLUTION OF THE BOARD OF REGENTS OF
WESTERN KENTUCKY STATE COLLEGE AUTHORIZING AND PROVIDING
FOR THE ISSUANCE, SALE AND DELIVERY OF $675,000 OF
WESTERN KENTUCKY STATE COLLEGE DORMITORY REVENUE BONDS
OF 1960, DATED JULY 1, 1960, TO PAY THE COSTS OF CONSTRUCTING AN ADDITIONAL DORMITORY UPON THE CAMPUS OF THE COLLEGE.
WHEREAS, Western Kentucky State College, its students and faculty 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 building and appurtenances to be used as dormitory facilities upon a site which is described in the Trust Indenture hereinafter referred to, and which site is a part of the campus of the College, and

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

WHEREAS, under the provisions of KRS 162.340 et seq. the Board of Regents of Western Kentucky State College, as the governing body of said State Educational Institution, is authorized to issue Bonds as hereinafter provided for the purpose of financing all or a part of the cost of said building and appurtenances, and

WHEREAS, it is necessary that the Board of Regents provide at this time for the borrowing of not to exceed $675,000 to provide for the estimated total costs thereof,

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

Section 1. It is hereby determined and declared that the proper accommodation of the students and faculty of Western Kentucky State College for educational purposes requires that an additional dormitory, with appurtenant facilities, be constructed upon the campus of Western Kentucky State College, the same to house approximately 204 male students, a snack bar to accommodate approximately 300 persons, and two faculty apartments (collectively referred to herein as the "Project"). The plans and specifications of said Project as prepared and submitted to this Board are hereby in all respects approved.

Section 2. In order to provide for the payment of the costs of the Project there shall be and there are hereby ordered to be issued by the Board of Regents of Western Kentucky State College in its corporate capacity and by and through its corporate name and as a State Educational Institution and Agency Dormitory Revenue Bonds of 1960 in the aggregate principal amount of $675,000, dated July 1, 1960, of the denomination of $1,000 each, to be numbered consecutively from 1 to 675, both numbers inclusive, bearing interest to be evidenced 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 three and one-eighth (3 1/8%) per cent per annum (the exact rate or rates to be determined at the time of the receipt and consideration of bids for the purchase of said Bonds, as hereinafter provided), payable on the first day of January, 1961, and semi-annually thereafter on the first days of July and January 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 which is hereby authorized and directed to be executed by the appropriate officers of the Board of Regents in substantially the same form as the form which is attached to the minutes of the meeting at which this resolution was adopted, and which is made a part of this resolution as fully as if set out herein. The Chairman and Secretary of the Board of Regents are hereby authorized and directed to execute such Bonds, and either of such persons may execute such Bonds with his or her facsimile signature, with the other person manually signing such bonds, pursuant to KRS 61.390. The Secretary is hereby authorized and directed to affix the corporate seal of the Board of Regents, or in lieu thereof a facsimile of such corporate seal may be imprinted on the Bonds, in which case it shall not be necessary to impress such seal physically upon such Bonds, all as provided by KRS 61.390. The interest coupons shall bear the facsimile signatures of such officers. After said Bonds have been sold by the Board of Regents at an advertised competitive sale in accordance with law, same shall be executed by the Chairman and Secretary as hereinbefore provided and shall then be delivered for authentication to the Trustee named in said Trust Indenture and upon authentication delivered as provided in such Trust Indenture.

Section 3. The Chairman of the Board of Regents, Wendell P. Butler, is hereby authorized and directed to execute an appropriate form or forms of the notice of the sale of such Bonds and cause same to be published one time in the newspaper designated by the Department of Finance of Kentucky pursuant to KRS 424.150, and one time in The Bond Buyer, a financial newspaper published in New York, New York, and of general circulation throughout the United States of America, soliciting sealed competitive proposals for the purchasing of said Bonds, the same to be received at a place to be designated in such notice by such Chairman, until some day and hour when the Board of Regents will be in session. Publication in such newspaper designated by the Department of Finance shall be according to law, and the publication in The Bond Buyer shall be made at least fifteen days prior to the time stated in said notice or notices of
the sale of such Bonds for the opening and consideration of such proposals for the purchasing of such Bonds. In said notice purchasers shall be instructed that proposals may be for the purchasing of (a) the entire $675,000 of authorized Bonds; or (b) Bonds maturing on July 1 in the years 1963 through 1970; or (c) Bonds maturing on July 1 in the years 1971 through 1980; or (d) Bonds maturing on July 1 in the years 1981 through 1990; or (e) Bonds maturing July 1 in the years 1991 through 2000; that the bidders may stipulate one or more interest coupon rates with respect to such Bonds, provided the average interest rate does not exceed three and one-eighth (3 1/8%) per cent per annum, and only one coupon rate may be stipulated for Bonds maturing on the same date. If a bid carries two or more interest rates on a single block of Bonds, or on combined blocks of Bonds, an average interest rate shall be computed on the basis of the total interest costs at par for such single block, or combined blocks, covered by the bid at the offered rates, and if the average rate so obtained is not more than three and one-eighth (3 1/3%) per cent the bid shall be considered to qualify. A minimum bid of par value (plus accrued interest to the date of delivery and payment) shall be required. The right to reject bids shall be expressly reserved.

Section 4. Said Bonds shall be secured by a Trust Indenture between the Board of Regents of Western Kentucky State College, party of the first part, and Bowling Green Bank and Trust Company, a combined bank and trust company organized and existing under and by virtue of the laws of the Commonwealth of Kentucky and having its principal office and place of business in Bowling Green, Warren County, Kentucky, party of the second part. The Chairman and Secretary of the Board of Regents are hereby authorized and directed to make, execute and deliver such Trust Indenture in substantially the form, text, terms and provisions set out in the form attached hereto, and this Board of Regents hereby approves, ratifies and confirms all of the covenants, provisions and stipulations as set out in such Trust Indenture.

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

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

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

Adopted by the Board of Regents of Western Kentucky State College at a meeting held on March 1, 1961.

WENDELL P. BUTLER
Chairman, Board of Regents of Western Kentucky State College

(Seal)

Attest:

ETTA J. RUNNER
Secretary

and moved that all rules be suspended and that said proposed resolution be adopted, which motion was seconded by Maxey B. Harlin. Upon said motion having been duly considered, the Chairman of the Board of Regents put the question, and upon the roll being called the following voted:

Aye: Mr. Butler, Mr. Lawrence, Mr. Hammons, Mr. Keen, Mr. Poland, Mr. Harlin

Nay: None

The Chairman of the Board of Regents declared that the motion had carried and that such resolution had been duly adopted.

A discussion followed concerning certain conditions of the resolution that pertained to the pledging of revenue from the dormitory. Mr. Billy Smith was instructed to consult with the Housing and Home Finance Agency in Atlanta to determine whether or not revenue from the dormitory grill was applicable and, if so, attempt to secure an addendum to the Resolution for the protection of the College.

President Thompson stated that in connection with the issuance of such Bonds it was necessary that rental charges and parietal rules covering the Project be adopted, in order to comply with the resolution authorizing the Bonds and with the Loan Agreement dated as of July 1, 1960, between the Board of Regents of Western Kentucky State College and the United States of America.

Then Mr. Hammons introduced and caused to be read in full the following resolution:

WHEREAS, The Board of Regents of Western Kentucky State College, under date of July 1, 1960, entered into a certain Loan Agreement with the United States of America, acting by and through the Housing and Home Finance Administrator, hereinafter sometimes called the "Government," pursuant to which said Board of Regents is in the process of authorizing the issuance and sale of $675,000 of Western Kentucky State College Dormitory Revenue Bonds of 1960 to finance such Project, consisting of a dormitory, including appurtenant facilities, a snack bar to accommodate approximately 300 persons, and two faculty apartments, and

WHEREAS, Section 35 of the general Terms and Conditions of such Loan Agreement provides that such Board of Regents "shall establish and maintain so long as any of the Bonds are outstanding, such parietal rules, rental rates and charges for the use of the Project facilities" as may be necessary to insure maximum occupancy and the use of such facilities and provide the debt service on the Bonds and for certain other purposes, and

WHEREAS, the resolution authorizing such Bonds covenants that such rules, rates and charges will be established and maintained, and

WHEREAS, pursuant to such provisions the Government has requested that such rules, rates and charges be established and the Board of Regents is desirous of implementing and specifying the manner in which the above covenants and obligations of such Board shall be carried out and performed.

NOW, THEREFORE, THE BOARD OF REGENTS OF WESTERN KENTUCKY STATE COLLEGE RESOLVES AS FOLLOWS:

Section 1. That so long as any of the aforesaid Bonds remain outstanding and unpaid it shall be the duty of the officers of the Board and of the College, and they are hereby authorized, empowered and directed at all times to carry out the said provisions of such Loan Agreement hereinafter referred to as long as the Government is the owner of any of such Bonds and to carry out, as long as any of such Bonds are outstanding, all of the provisions of Section 5.09 of the Trust Indenture securing such Bonds.
Section 2. That the initial rental rates and charges for the occupancy and use of said Project dormitory are hereby established and are to be effective immediately upon such Project being ready for occupancy, such initial rates and charges being as follows:

For each Regular Session of two semesters each student occupying such dormitory shall be charged $4.50 per week for room rent; $70.00 per month shall be charged for each of the two apartments for married faculty members; and $35 of the incidental fee of each student occupying such dormitory for each semester of the Regular Term shall be paid into the Revenue Fund provided for in connection with the authorization of such Bonds. For each Summer Session each student occupying such dormitory shall pay $4.50 per week for room rent; $70.00 per month shall be charged for each of the two apartments for married faculty members; and $15.00 of the incidental fee of each student occupying such dormitory during the Summer Session shall be paid into the Revenue Fund provided for by the resolution authorizing such Bonds. Said $35 and $15, respectively, of such incidental fees are part of the revenues of such Project.

Section 3. Said schedule shall be adjusted from time to time as may be necessary to comply with the covenants and undertakings as set forth in the resolution authorizing the Bonds and such Loan Agreement.

Section 4. That students of the College shall be assigned to such dormitory the revenues of which secure such Bonds, in preference to all other student housing, except for the three dormitory facilities previously constructed under Housing and Home Finance Agency Project No. Ky. 15-CH-11; the dormitory facilities previously constructed under Housing and Home Finance Agency Project No. Ky. 15-CH-23(D); and the dormitory facilities previously constructed under Housing and Home Finance Agency Project No. Ky. 15-CH-32(D).

Section 5. That such steps shall be taken as may be necessary to insure full patronage of the snack bar to be operated in connection with such dormitory Project, and such charges shall be made in connection with the operation thereof and such adjustments in such charges shall be made from time to time so that the proceeds thereof, together with the other revenues of such Project will be sufficient at all times to pay the interest and principal on such Bonds as they fall due and to meet the other requirements as set out in the Trust Indenture executed in connection with the issuance of such Bonds.
Section 6. That the administrative officers of the Board of Regents and the College are further authorized, empowered and directed to take such further steps as may be necessary to insure full compliance with the provisions of such Loan Agreement and such resolution authorizing such Bonds, which provisions have been hereinbefore referred to.

Section 7. That this resolution shall be in full force and effect from and after its adoption.

Section 8. That 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 Regents of Western Kentucky State College at a meeting held on March 1, 1961.

[Seal]

WENDELL P. BUTLER
Chairman, Board of Regents of Western Kentucky State College

Attest:

Etta J. Runner
Secretary

and moved that all rules be suspended and that said proposed resolution be adopted, which motion was duly seconded by Mr. Keen. Upon said motion having been duly considered, the Chairman of the Board of Regents put the question, and upon the roll call being made the following voted:

Aye: Mr. Butler, Mr. Lawrence, Mr. Hammons, Mr. Keen, Mr. Poland, and Mr. Harlin

Nay: None

The Chairman of the Board of Regents declared that the motion had carried and that such resolution had been duly adopted.

TRUST INDENTURE

THIS INDENTURE, dated as of the first day of July, in the 1960, made by and between BOARD OF REGENTS OF WESTERN KENTUCKY STATE COLLEGE, a body corporate, as an
Educational Institution and Agency of the Commonwealth of Kentucky at Bowling Green, Kentucky (hereinafter called the "Board"), party of the first part, and BOWLING GREEN BANK AND TRUST COMPANY, a combined bank and trust company organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having full powers to act as a corporate Trustee and having its principal office and place of business in the City of Bowling Green, Kentucky, as Trustee (hereinafter called the "Trustee"), party of the second part.

WITNESSETH:

THAT, WHEREAS, pursuant to Section 164.350 of the Kentucky Revised Statutes, now in full force and effect, the Board is a body corporate with all power generally invested in corporations and as such is the governing body of Western Kentucky State College, an Educational Institution and Agency of the Commonwealth of Kentucky, having full control of the management and operation of said College, together with the property and funds thereof; and

WHEREAS, pursuant to the provisions of Section 162.340 et seq. of said Kentucky Revised Statutes, said Board, as governing body of said State Educational Institution and Agency, is authorized to erect buildings and appurtenances to be used in connection with said College for educational purposes and to issue its revenue Bonds, payable solely from the income and revenues of said Project; and

WHEREAS, the Board has determined that said College, its faculty and students are not at the time provided with adequate buildings and accommodations for educational purposes; and has determined that it is necessary to construct an additional dormitory building, including appurtenant facilities, to house 204 male students, a snack bar to accommodate approximately 300 persons, and two faculty apartments, at an estimated cost of $769,000 (referred to herein as the "Project"), to be situated upon a site which is a part of the campus of said College and which is hereinafter described for the purpose of identifying the Project; and

WHEREAS, the cost of said Project is to be paid through funds provided through the issuance of revenue Bonds to the amount of Six Hundred Seventy-Five Thousand Dollars ($675,000), and the Board has adopted an appropriate resolution authorizing the issuance of such revenue Bonds to be designated "Western Kentucky State College Dormitory Revenue Bonds of 1960," as hereinafter
described, and has duly authorized the execution of this Trust Indenture in the form hereof for the purpose of securing the payment of said Bonds and the interest thereon and to provide for the proper and orderly administration of the revenues of said Project and of the Bond proceeds; and

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

(Form of Bond)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
WESTERN KENTUCKY STATE COLLEGE
DORMITORY REVENUE BOND OF 1900

Number____________________ $1,000.00

The Board of Regents of the Western Kentucky State College, a body corporate, as an Educational Institution and Agency of the Commonwealth of Kentucky at Bowling Green, 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 One Thousand Dollars ($1,000.00) on the first day of July, ______, and to pay solely from said special fund, interest thereon from the date hereof at the rate of ______ per centum (_______ %) per annum, such interest being payable semi-annually on the first days of January and July in each year from the date of this Bond until it matures, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereof, 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 the Trustee, (Bowling Green Bank and Trust Company, in the City of Bowling Green, Kentucky), or, at the option of the holder or registered owner hereof and of the interest coupons hereunto appertaining, at the principal office of Chemical Bank New York Trust Company, in the Borough of Manhatttan, City of New York, State of New York.
This Bond is one of a duly authorized series of Bonds in the aggregate principal amount of $675,000, all of said Bonds being of the same form, tenor and effect (except for numbers, maturity dates, provisions with respect to redemption prior to maturity and possible variation in interest rates), issued for financing the costs of an additional dormitory, including appurtenant facilities, a snack bar, and two faculty apartments, for educational purposes in connection with Western Kentucky State College, at Bowling Green, Kentucky (hereinafter referred to as the "Project"), 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 a Trust Indenture (said Indenture, together with all supplemental thereto as therein permitted, being herein called the "Indenture") of even date herewith, executed by and between said Board of Regents and Bowling Green Bank and Trust Company, 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 Bowling Green, Kentucky. Reference is hereby made to the Indenture for a more specific identification of the Project and for the provisions, among others, with respect to the custody and the application of the proceeds of the Bonds, the collection and disposition of revenues, the fund charged with and pledged to the payment of the interest on and the principal of said Bonds, the nature and extent of the security, the rights, duties and obligations of said Board of Regents and of the Trustee and the rights of the holders of the Bonds, and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of said Indenture. Under authority of the statutes pursuant to which this Bond is issued this Bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration endorsed hereon and contained in the Indenture, nothing contained in this Bond or in said Indenture shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. The Indenture provides for fixing, charging and collecting rentals and other charges for the use of said Project which will be sufficient to pay the principal of and the interest on said Bonds as the
same become due and to provide reserves for such purposes, and also to pay the cost of maintenance, operation and repair of the Project to the extent not otherwise provided. The Indenture provides for the creation of a special fund designated "Western Kentucky State College Dormitory Bond and Interest Sinking Fund Account of 1960" (herein called the "Sinking Fund") and for the deposit to the credit of said Sinking Fund of a sufficient amount of the gross revenues of said Project in the manner prescribed by the Indenture, to be supplemented if necessary by other funds available to the Board, to pay the principal of and the interest on the Bonds as the same become due and to provide reserves for such purposes, which Sinking Fund is pledged to and charged with the payment of said principal and interest. This Bond and the series of which it is one are secured by a first lien on and pledge of the gross revenues of such Project.

Part of the gross revenues of such Project pledged for the payment of this Bond and the series of which it is one is Thirty-five Dollars ($35.00) of the Incidental Fee assessed each student occupant of the Project dormitory for each semester of the regular term of two semesters and Fifteen Dollars ($15.00) of the Incidental Fee assessed each student occupant of the Project dormitory for the regular summer session.

This Bond and the series of which it is one are payable only from a fixed amount of the gross income and revenues to be derived from the operation of said Project, to be supplemented if necessary by other funds available to the Board, which will be set aside into said Sinking Fund, and this Bond does not constitute any indebtedness of Western Kentucky State College or of its Board of Regents or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The right is hereby reserved to call and redeem the Bonds numbered 93 to 675, inclusive, maturing July 1, 1971, through July 1, 2000 of the series of which the Bond is a part, prior to maturity, as a whole, or from time to time in part in the inverse order of their numbering, said Bonds numbered 542 to 675, inclusive, maturing July 1, 1996, through July 1, 2000, being so redeemable on any interest payment date upon terms of par and accrued interest to the redemption date, and Bonds numbered 93 to 541, inclusive, maturing July 1, 1971, through July 1, 1995, being so redeemable on any interest payment date after July 1, 1970 upon terms of par and accrued interest to the redemption date plus a redemption premium of three per cent of the
principal amount thereof if called for redemption on January 1, 1971, through July 1, 1975, inclusive; two and one-half per cent of the principal amount thereof if called for redemption on January 1, 1976, through July 1, 1980, inclusive; two per cent of the principal amount thereof if called for redemption on January 1, 1981, through July 1, 1985, inclusive; one and one-half per cent of the principal amount thereof if called for redemption on January 1, 1986, through July 1, 1990, inclusive; and one per cent of the principal amount thereof if called for redemption after July 1, 1990. Notice of any such intended redemption identifying the Bonds to be redeemed will be on file at the office of the Trustee at least thirty days prior to the specified redemption date, and such notice will be published at least once not less than thirty days prior to said redemption date in a newspaper of general circulation throughout the Commonwealth of Kentucky and in a financial newspaper or journal of general circulation published in the English language in the City of New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date and shall cease to be secured pursuant to the provisions of this Indenture. Priority as to prior redemption shall extend to Bonds numbered 542 to 675, inclusive, over Bonds numbered 93 to 541, inclusive. Bonds numbered 1 to 92, inclusive, maturing July 1, 1963, through July 1, 1970, of such issue are non-callable.

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

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any securing 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 Regents and of said Western Kentucky State College, does not violate any provisions or exceed any limit prescribed by the Constitution or statutes of Kentucky; that said Project will be continuously operated and that a sufficient portion of the gross income and revenues therefrom has been pledged to and will be set aside into said Sinking Fund for the payment of the principal of and interest on this Bond and the series of which it is a part, as the same will respectively become due.

IN TESTIMONY WHERE, the Board of Regents of the Western Kentucky State College at Bowling Green, Kentucky, has caused this Bond to be executed on its behalf with the reproduced facsimile signature of its Chairman, attested by the manual signature of its Secretary, and the reproduced facsimile of its corporate seal to be imprinted hereon, and the coupons hereto attached to be executed with the facsimile signatures of the said Chairman and Secretary, which officers, by the execution of this Bond, do adopt said facsimile signatures to be their respective authorized and proper signatures, all being done as of the first day of July, 1960.

Chairman, Board of Regents

(SEAL)

Attest:

Secretary, Board of Regents
(Form of Coupon)

Number $  

Unless the Bond to which this coupon appertains is redeemable and accordingly shall have been therefore called for prior redemption, on the first day of 19__, the Board of Regents of the Western Kentucky State College at Bowling Green, Kentucky, will pay to bearer Dollars ($______) in any coin or currency which at said date or payment is legal tender for the payment of debts due the United States of America, out of its "Dormitory Bond and Interest Sinking Fund Account of 1960" at the principal office of Bowling Green Bank and Trust Company in the City of Bowling Green, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank New York Trust Company in the City of New York, New York, as provided in and for interest then due on its Western Kentucky State College Dormitory Revenue Bond of 1960, dated July 1, 1960, numbered _________.

Chairman, Board of Regents

Secretary, Board of Regents

(Form of Authentication Certificate)

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

Bowling Green Bank and Trust Company, Trustee

Authorized Officer

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

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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 or required by the laws of the Commonwealth of Kentucky, or otherwise, to make the Bonds when duly executed on behalf of the Board and authenticated by the Trustee and issued valid and binding legal obligations of the Board in accordance with their terms and to make this Indenture a valid and binding Indenture for the security of the Bonds, have been duly done and performed;

NOW, THEREFORE, this Indenture witnesseth:

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

ARTICLE ONE

GENERAL PROVISIONS REGARDING EXECUTION, AUTHENTICATION AND REGISTRATION OF BONDS

Section 1.01. Save as is herein provided in respect to mutilated, lost, destroyed or stolen Bonds, Bonds may be issued hereunder to the aggregate principal amount of not more than Six Hundred Seventy-five Thousand Dollars
($675,000). The Bonds shall be issued as coupon Bonds in the denomination of $1,000 each, registrable as to principal only and numbered from 1 to 675, inclusive. The principal of each Bond and the interest thereon shall be payable at the principal office of Bowling Green Bank and Trust Company in the City of Bowling Green, Kentucky, or of its successors in trust under this Indenture, or, at the option of the holder, at the principal office of Chemical Bank New York Trust Company in the City of New York, New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America. The Bonds and the interest coupons appertaining thereto shall be respectively substantially in the forms hereinbefore set forth, with such omissions, variations and insertions as are required or permitted by the terms of this Indenture to evidence the terms thereof.

The printing of the text of such Bonds shall be of type composition on paper of sufficient weight and strength to prevent deterioration throughout the life of the loan. The Bonds shall conform in size to standard practice, and maturity dates shall be inserted in same for the payment of principal to conform to the maturity schedule set out in Section 1.02 hereof.

Section 1.02. The said Bonds shall be dated July 1, 1960, and shall bear interest at one or more interest coupon rates to be established upon the basis of competition among bidders when said Bonds are sold at an advertised public competitive sale. All such interest to the respective maturity dates of principal shall be evidenced by coupons attached to the Bonds, payable semi-annually on each January 1 and July 1. Subject to the reserved right of redemption of a portion of said Bonds prior to maturity as provided in Article Two of this Indenture, said series of Bonds shall mature as to principal on July 1 of the respective years, in accordance with the following schedule:
### Section 1.03

The Bonds shall be offered for sale by the Board, without the intervention of the Trustee, at such time or times as the Board may direct, upon the basis of notices published by the Board in a newspaper of general circulation throughout the Commonwealth of Kentucky and in the Bond Buyer, a financial journal published in New York, New York, of general circulation throughout the United States of America, as provided by law, and upon the basis of sealed competitive bids which shall be opened, considered.

<table>
<thead>
<tr>
<th>Bonds Numbered (Inclusive)</th>
<th>Principal Amount</th>
<th>Date of Maturity</th>
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<tbody>
<tr>
<td>1-11</td>
<td>$11,000</td>
<td>1963</td>
</tr>
<tr>
<td>12-22</td>
<td>11,000</td>
<td>1964</td>
</tr>
<tr>
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<td>1965</td>
</tr>
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<tr>
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and acted upon by the Board. The Bonds shall at one time or from time to time be executed on behalf of the Board by the reproduced facsimile signature of its Chairman and by the reproduced facsimile of its corporate seal, attested by the manual signature of its Secretary, and shall be delivered to the Trustee for authentication by it, and thereupon the Trustee shall, upon receipt by the Trustee of evidence satisfactory to the Trustee of the proper execution of this Indenture, authenticate and shall deliver the said Bonds at one time or from time to time upon the order of its Chairman, designating the identifying numbers, maturities and interest coupon rates of the Bonds contemplated thereby, the name of the purchaser thereof and the amount of the purchase price. The Board by its Chairman shall make delivery to such purchaser or purchasers, but only upon payment of the stated purchase price, which shall immediately be deposited to the credit of the special funds or accounts, as hereinafter provided. In order for the Chairman to make such delivery no further authorization by the Board is necessary other than its acceptance of the successful bid or bids on the Bonds.

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

Section 1.04. In case any person who shall have signed, whether by a reproduced facsimile signature or manually, or attested any Bond issuable under this Indenture as an officer of the Board shall have ceased to be such officer before the Bond so signed or attested shall have been actually authenticated and delivered by the Trustee, such Bond nevertheless may be authenticated and delivered and issued as though the person who signed or attested such Bond had not ceased to be such officer.

Any Bond issuable hereunder may be signed, either manually or by a reproduced facsimile, 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, although at the date of such Bond such person shall not have been such officer.

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

Section 1.05. The Board shall keep at the office of the Trustee books for the registration and transfer of Bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the holder of any Bond issued hereunder, and upon presentation for the purpose at such office the Board will register or transfer or cause to be registered or transferred therein, as hereinafter provided, and under such reasonable regulations as it may prescribe, any bonds issued under this Indenture and entitled to be so registered or transferred. The Trustee shall act as registrar in effecting all registrations on the books kept at its office.

All bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. The holder of any Bond issued hereunder may have the ownership of the principal thereof registered on said books of the Board at the office of the Trustee, and such registration shall be noted on the Bond. After such registration no transfer shall be valid unless made on the said books at the written request of the registered owner or his duly authorized attorney and similarly noted on the Bond, but same may be discharged from registration by being in like manner transferred to bearer, and thereupon negotiability and transferability by delivery shall be restored, and such 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 Bond's except any taxes or other governmental charges required to be paid with respect to the same.

Section 1.06. Before authenticating any Bonds the Trustee shall cut off and cancel all matured coupons thereon, and the Trustee shall deliver a certificate of such cancellation to the Board.

Section 1.07. 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
or Bonds hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond or Bonds if mutilated, the Board may execute and the Trustee may authenticate and deliver a new Bond or Bonds of like tenor, maturity and serial numbering in lieu of such lost, stolen, destroyed or mutilated Bond or Bonds. Each such new Bond shall bear such endorsement as may be agreed upon by the Board and by the Trustee to be necessary to evidence that it has been issued in lieu of a lost, stolen, destroyed or mutilated Bond. The Board may require the payment of the expenses which may be incurred by the Board and the fees and expenses of the Trustee in the premises.

Section 1.06. As to all Bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes of this Indenture, and thereafter payment of or on account of the principal of such Bond shall be made only to or upon the order in writing of such registered owner thereof, but such registration may be changed as above provided. The Board and the Trustee may deem and treat the bearer of any Bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Board and the Trustee shall not be affected by any notice to the contrary.

ARTICLE TWO

REDEMPTION OF BONDS

Section 2.01. The right is hereby reserved to call and redeem the Bonds numbered 93 to 675, inclusive, prior to maturity, as a whole, or from time to time in part in the inverse order of their numbering, said Bonds numbered 542 to 675, inclusive, being so redeemable on any interest payment date upon terms of per and accrued interest to the redemption date, and Bonds numbered 93 to 541, inclusive, being so redeemable on any interest payment date after July 1, 1970, upon terms of per and accrued interest to the redemption date plus a redemption premium of three per cent of the principal amount thereof if called for redemption on January 1, 1971, through July 1, 1975, inclusive; two and one-half per cent of the principal amount thereof if called for redemption on January 1, 1976, through July 1, 1980, inclusive; two per cent of the principal amount thereof if called for redemption on January 1, 1981, through July 1, 1985, inclusive; one and one-half per cent of the
principal amount thereof if called for redemption on January 1, 1986, through July 1, 1990, inclusive; and one per cent of the principal amount thereof if called for redemption after July 1, 1990. Priority as to prior redemption shall extend to Bonds numbered 512 to 675, inclusive, over Bonds numbered 93 to 511, inclusive. Bonds numbered 1 to 92, inclusive, are and shall be non-callable.

In case the Board shall desire to exercise its right of redemption it shall cause to be filed with the Trustee (at least thirty days in advance of the redemption date) a copy of a notice specifying the redemption date and the numbers of the Bonds to be redeemed and shall cause notice of such redemption to be published in one daily newspaper printed in the English language and published in and of general circulation throughout the Commonwealth of Kentucky, and in a financial newspaper or journal published in the English language in the City of New York, New York, at least once not less than thirty days before the date fixed for redemption, such published notice to identify the Bonds to be redeemed and to state that interest will cease to accrue thereon from and after the specified redemption date. If any of the Bonds to be redeemed are at the time registered as to principal, similar notice shall be sent by the Board through the mails, postage prepaid, at least thirty days prior to such redemption date, to the persons respectively who shall appear by the transfer register of the Board to be the registered owners of such Bonds, at their addresses as the same shall appear, if at all, upon the transfer record of the Board at the office of the Trustee, but such mailing shall not be a condition precedent to such redemption, and failure so to mail any notice shall not affect the validity of the proceedings for the redemption of such Bonds.

On or before the redemption date specified in the notice above provided for, the Board shall, and it hereby covenants that it will, deposit with the Trustee an amount of cash sufficient to effect the redemption of the Bonds specified in such notice, or cause the Trustee to apply to such purpose moneys theretofore deposited with the Trustee under the provisions hereof and properly available for such purpose. All moneys deposited by the Board with the Trustee, or set apart by the Trustee, under the provisions of this Indenture, for the redemption of Bonds, shall be held in trust for account of the holders thereof and shall be paid to them respectively upon presentation and surrender of said Bonds accompanied by all interest coupons maturing after the date fixed for redemption thereof; provided, however, if any such Bonds shall be registered, the same shall be endorsed in blank for transfer if the Trustee shall so require.
From and after the date of redemption designated in such notice (such notice having been given as aforesaid and such deposit having been made or moneys set apart as aforesaid), no further interest shall accrue upon any of the Bonds so to be redeemed, and any coupons for interest pertaining to any such Bonds and maturing after such date shall be void, and all such Bonds, in so far as such deposit shall have been made or moneys set apart as aforesaid, and all such coupons shall cease to be entitled to the benefit of the lien of this Indenture, and the Board shall be under no further liability in respect thereof.

**Section 2.02.** All bonds so redeemed shall forthwith be cancelled by the Trustee, which shall deliver such cancelled Bonds to the Board.

**ARTICLE THREE**

**DISPOSITION AND CUSTODY OF INCOME AND REVENUES OF THE PROJECT**

**Section 3.01.** There is hereby created a special account or fund upon the books and records of the Board, separate and apart from all other accounts and funds, the same to be designated "Western Kentucky State College Dormitory Project Revenue Fund Account of 1960" (hereinafter sometimes referred to as the "Revenue Fund"). Into this fund as soon as any portion of the Project becomes revenue-producing there shall be set aside and deposited from time to time as received all gross rentals, charges, income and revenue arising from the operation or ownership of the Project, including, without limiting the generality of the foregoing, as gross revenues the gross revenues received from the operation of such snack bar and the pledged Incidental Fee as is herein defined and provided. Thirty-five Dollars ($35.00) of the Incidental Fee assessed each student occupant of the Project dormitory for each semester of the regular term of two semesters and Fifteen Dollars ($15.00) of the Incidental Fee assessed each student occupant of the Project dormitory for the regular summer session are hereby determined to be revenues of such Project and are hereby pledged to such Revenue Fund as security for such Bonds. Such Revenue Fund shall be held in the custody of the Treasurer of the Board, separate and apart from all other funds. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding, 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 specified below.
Section 3.02. There is hereby created a special account or fund upon the books of the Board, separate and apart from all other accounts and funds, the same to be designated "Western Kentucky State College Dormitory Bond and Interest Sinking Fund Account of 1960" (hereinafter sometimes referred to as the "Sinking Fund"). So long as any of the Bonds are outstanding the said fund shall be maintained and deposited either directly or through banking channels into the custody of the Trustee and shall be used exclusively by the Trustee to pay interest as it becomes due on Bonds from time to time outstanding and to pay and to retire the Bonds at or before maturity, in accordance with the provisions of this Indenture.

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

(1) Into said Sinking Fund, there shall be deposited all accrued interest received from the sale of the Bonds, all amounts made available from the Construction Fund herein provided for, or from other sources, as interest on the Bonds during construction, and all revenues derived from the Project, from the date of completion of any portion of the Project to the date of delivery of any of the Bonds, remaining after payment of the current expenses of the Project.

(2) The Board will transfer from the Revenue Fund, supplemented, if necessary, by other funds available to the Board, and deposit to the credit of said Sinking Fund, on or before December 15, 1960; June 15, 1961; December 15, 1961; and June 15, 1962, respectively, such sums as will be sufficient, together with available balances in said Sinking Fund, to pay interest on any outstanding Bonds, to become due on January 1, 1961; July 1, 1961; January 1, 1962; and July 1, 1962, respectively, and thereafter, on December 15, 1962, and on or before each June 15 and December 15 of each succeeding year:

Not less than $20,500 derived from the first pledged gross revenues and income from the Project, to be supplemented if necessary by other funds available to the Board, until such time as the total funds in said Sinking Fund, including any investments carried to the credit of said Sinking Fund, are sufficient to meet the interest on the outstanding Bonds due on the next payment date and one-half of the principal due within the
succeeding twelve months, plus a debt service reserve in the sum of $65,000 and, thereafter, on or before each succeeding June 15 and December 15 in like manner such sums for said sources as may be necessary to meet the interest on the Bonds due on the next interest payment date and one-half of the principal due within the succeeding twelve months, and maintain the debt service reserve in the sum of $65,000. Funds in the Sinking Fund Account in excess of the maximum amounts required may be used to redeem Bonds in advance of maturity as provided herein.

Section 3.03. The amount by which the aforesaid payments into the Sinking Fund exceeds the aggregate amount of interest on the Bonds due on the next interest payment date and one-half of the principal due within the next succeeding twelve months shall be held as a reserve; provided, however, that no further payments need be made into said Sinking Fund whenever and so long as such amount of the Bonds shall have been retired that the amount then held therein, including the reserve, is sufficient to accomplish retirement of all the Bonds then outstanding and pay all interest that is to be paid on all of such Bonds prior to such retirement.

If, for any reason, there shall be a failure to make any payments into said Sinking Fund as aforesaid, any sums then held as a reserve shall be used for the payment of any portion of the interest or principal as to which there would otherwise be default, but such reserve shall be reimbursed therefor from the first available payments made into the Sinking Fund by increasing the subsequent semi-annual payments to at least 120% of the minimum amounts otherwise required to be made into the Sinking Fund.

All moneys held in the Sinking Fund shall be held, secured and invested by the Trustee, as provided by Sections 3.08 and 3.09 of this Indenture. Said Sinking Fund shall be used solely and only for the purpose of paying the interest on the Bonds secured hereby and accomplishing retirement of said Bonds at or before maturity and is hereby irrevocably pledged for that purpose, and shall be used for no other purpose whatsoever, except that amounts in such Sinking Fund may be used to redeem Bonds only as provided herein in Section 3.07. It is the intent of the foregoing provisions that the Bonds are secured by a first lien on and pledge of the gross revenues of the Project plus a pledge of the Incidental Fee as herein stated.
Section 3.04. During the thirty days preceding each January 1 and July 1, the Trustee shall transfer from the Sinking Fund to Chemical Bank New York Trust Company, City of New York, New York, in its capacity as the New York Paying Agent named herein, funds sufficient to enable said New York Paying Agent to pay maturing Bonds and interest coupons as are there presented, or the Trustee shall make such arrangements with said New York Paying Agent as to assure the prompt payment of maturing Bonds and coupons as are there presented. The Trustee shall make similar arrangements in the event of redemption of any Bonds pursuant to Article Two of this Indenture.

Section 3.05. For the purpose of assuring payment of the cost of Current Expenses of the Project the moneys remaining in the Revenue Fund in excess of the minimum Sinking Fund payments required by Sections 3.02 and 3.03 during any fiscal year, supplemented, if necessary, by other funds available to the Board, shall be set aside as Current Expenses become due and payable and to the extent necessary into an "Operation and Maintenance Account," hereby created, and all moneys in said account shall be used for necessary operation expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated shall of charges for insurance and all other expenses incident to the operation of said Project, but excluding depreciation, all general administration expenses of the Board and payment into the "Western Kentucky State College Dormitory Building Maintenance and Equipment Reserve Account of 1960" hereinafter provided for.

Section 3.06. As soon as the required reserve is accumulated in the "Western Kentucky State College Dormitory Bond and Interest Sinking Fund Account of 1960," the Board shall establish with the Trustee a separate account called the "Western Kentucky State College Dormitory Building Maintenance and Equipment Reserve Account of 1960," into which shall be deposited from the "Western Kentucky State College Dormitory Project Revenue Fund Account of 1960," supplemented, if necessary, by other funds available to the Board, on or before the close of each fiscal year, the sum of $7,000 annually until the fund's and/or investments in said Account shall aggregate $70,000 and, thereafter, such sums, but not more than $7,000 annually, as may be required to restore and maintain the balance of $70,000 in said Account. All moneys in the Building Maintenance and Equipment Reserve Account may be drawn on and used by the Board for the purpose of paying the cost of un-
usual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of equipment not paid as part of the ordinary and normal expenses of Project dormitory operation. However, in the event that the funds in the "Western Kentucky State College Dormitory Bond and Interest Sinking Fund Account of 1960" should be reduced below the debt service reserve of $65,000, funds and/or investments on deposit in the Building Maintenance and Equipment Reserve Account shall be transferred to the said Bond and Interest Sinking Fund Account to the extent required to eliminate the deficiency in that Account.

Section 3.07. Subject to making the payments and foregoing maximum deposits, which are accumulative, any balance remaining in the Revenue Fund Account of 1960 at the close of each fiscal year, after reserving first an amount equal to the estimated cost of operating and maintaining the Project for the next ensuing fiscal year, shall be used to redeem outstanding Bonds on the next interest payment date, in inverse numerical order and in amounts of not less than $5,000 par value at one time.

Section 3.08. All moneys deposited with and in the custody of the Trustee under the provisions of this Indenture shall be trust funds and shall not be subject to lien or attachment by any creditor. Such moneys shall be held in trust and applied in accordance with the provisions of this Indenture and shall be secured in such manner as may at the time be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds.

Section 3.09. Moneys held for the credit of the Building Maintenance and Equipment Reserve Account of 1960 and the amount thereof in the Sinking Fund in excess of all Bond principal and interest requirements for the ensuing twelve months' period shall be invested by the Trustee, if so directed by resolution of the Board, in direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, which mature or are redeemable at the option of the holder within five years from the date of investment therein. In determining whether the Board is maintaining hereunder the required fixed amounts in such Building Maintenance and Equipment Reserve Account of 1960 and in such Sinking Fund the investment of such funds shall be valued in terms of current market value as of June 30 and December 31 of each year. Obligations so purchased shall be deemed at all times to be a part of the Build-
ig Maintenance and Equipment Reserve Account of 1960 and the Sinking Fund, respectively, moneys in which were used to purchase such obligations, and the interest accruing thereon and the proceeds of the sale or retirement thereof shall be credited to the respective Building Maintenance and Equipment Reserve Account of 1960 and the Sinking Fund of which such obligations were a part. The Trustee shall sell at the best price obtainable any obligations so purchased whenever it shall be necessary to so do in order to provide moneys to meet any payment from such Building Maintenance and Equipment Reserve Account of 1960 and such Sinking Fund, respectively, of which such obligations are a part. Neither the Trustee nor the Board shall be liable or responsible for any loss resulting from any such investment.

ARTICLE FUND

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 4.01. A fund is hereby created and designated "Western Kentucky State College 1960 Dormitory Construction Account" (herein sometimes called the "Construction Account"), to the credit of which there shall be deposited, as received, the proceeds of the Bonds (with the exception of accrued interest, if any, which is required by Section 3.02 hereof to be deposited in the Sinking Fund). The moneys in the Construction Account shall be paid to the State Treasurer of the Commonwealth of Kentucky and held in trust to be used and applied on orders of the Board, 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.

The Board agrees that all of its contractors as to such Project comply with all applicable state and local laws or ordinances pertaining to the hours of work per day.

Section 4.02. The Board covenants and agrees that it will cause to be deposited in or credited to the Construction Account prior to the delivery of the Bonds, 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, the sum of $94,000,
and thereafter, and from like sources, such amounts of other funds, as together with the Bond proceeds, will secure payment of all costs of the Project.

Section 4.03. For the purpose 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 during the construction of the Project after which it is hereby represented the Project will be revenue producing;

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

(d) expense of administration properly chargeable to the Project, legal expenses and fees, financing charges, advertising expenses, cost of printing Bonds, cost of audits and of issuing the Bonds and all other items of expense not elsewhere in this Section specified, incident to the construction of the Project and placing it in operation, specifically including the agreed fixed fee of the Housing and Home Finance Agency of the United States Government in supervising and inspecting the work appertaining to the development of the Project and of auditing the books, records and accounts pertaining to the Project as set forth in the Loan Agreement between the Board and the United States of America, dated as of July 1, 1960.

Section 4.04. Within the thirty days preceding each January 1 and July 1 prior to the date the first payment is made into the Sinking Fund from the Revenue Fund, pursuant to the provisions of Section 3.02 of this Indenture, there shall be transferred and paid into the Sinking Fund from the Construction Account an amount sufficient to pay the interest on the Bonds coming due on such January 1 and July 1. The Board covenants and agrees to cause each such transfer and payment to be so made.
Section 4.05. Where the moneys on deposit in the Construction Account exceed the estimated disbursements on account of the Project for the next ninety (90) days (three months), the Board may invest such excess funds in time deposits in banks that are members of the Federal Deposit Insurance Corporation or may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than three (3) years after the date of such investment.

Section 4.06. When the Project has been completed and after all costs of the Project have been paid, any balance remaining in the Construction Account, but not more than $60,000, shall be returned to the Board. Any funds then remaining in the Construction Account shall be promptly used for 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; provided, however, that any of such funds in an amount less than $1,000 shall be deposited to the Bond and Interest Sinking Fund Account.

ARTICLE FIVE

PARTICULAR COVENANTS OF THE BOARD

Section 5.01. The Board covenants and agrees that it has lawful control of the site of the Project, as hereinafter described, that said property is free from any and all liens and encumbrances and that the Board will defend the title thereto against all claims and demands whatsoever.

Section 5.02. The Board covenants and agrees that it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on each and every one of the Bonds secured hereby, at the dates and places and in the manner provided in said Bonds, and in the coupons thereunto appertaining, according to the terms thereof and of this Indenture.

Section 5.03. The Board covenants and agrees that upon acceptance of the Project from the contractor, or upon occupancy of the Project, whichever shall first occur, the Board will procure, and maintain so long as any of the Bonds are outstanding, fire and extended coverage insurance on the Project in amounts sufficient to provide for not less than full recovery whenever the
loss from causes covered by such insurance does not exceed 80 per centum (80%) of the full insurable value of the Project. Such policies of insurance shall provide that any loss payable thereunder (except amounts payable in respect of any particular loss which does not exceed $5,000) shall be payable to the Trustee.

The Board will also maintain boiler explosion insurance in an amount not less than $50,000.

If any part of the Project is damaged or destroyed by fire or other casualty the Board shall, unless it elects to pay and redeem all of the outstanding Bonds, proceed diligently and expeditiously to replace or repair such damaged property.

Payment of Losses

(1) The Trustee is authorized in its own name to demand, collect, sue and receipt for all moneys which may become due and payable to it under any insurance policy.

(2) In the event of payment to the Trustee for any loss or damage to or destruction of property insured, the Board will forthwith repair or reconstruct the damaged or destroyed portion thereof to the satisfaction of the Trustee. Upon completion of the repairs or reconstruction of the damaged property, the Board shall furnish to the Trustee a certification to the effect that the damaged property has been replaced or repaired, that such property is in substantially as good condition as it was prior to the date of such loss or damage, and that all such replacement and/or repairs have been duly paid for, or that the arrangements therefor satisfactory to the Trustee have been made.

Upon payment of a loss the Board shall promptly furnish the Trustee with evidence of restoration of insurance coverage to comply with the provisions of this Section.

If the proceeds of any particular loss shall not exceed $5,000, such proceeds shall be paid over to the Trustee to or upon the order of the Board upon its written request and shall be applied to the extent required solely for the purpose of repairing or reconstructing the damaged property. If the proceeds of any such loss shall exceed $5,000, such proceeds shall be paid out by the Trustee from time to time
to or upon the order of the Board, but only upon re-
cceipt by the Trustee of (1) a written requisition
of the Board executed by an authorized official
specifying the expenditures made or indebtedness
incurred in repairing or reconstructing the damaged
property and certifying that the proceeds of insurance,
together with any other moneys available for such pur-
pose, will be sufficient to complete such repairing or
reconstructing; and (2) if the holders of not less
than 51% of the outstanding Bonds shall request, the
written approval of said requisition by an engineer
or architect named in said request.

(3) In the event the proceeds of insurance,
together with all other moneys available
for such purpose, are insufficient to
complete the repair or reconstruction of
the damaged property, said proceeds shall be
deposited with and held by the Trustee as
security for the Bonds and for the ratable
benefit of the holders thereof, provided,
however, that if the Board shall request
and (1) the Trustee shall consider the same
necessary for the protection of the Bond-
holders and (2) the holders of not less than
75% of the then outstanding Bonds shall so
request in writing, the Trustee may permit to
be applied to such repair or reconstruction
(in the manner above specified) all moneys
in the Sinking Fund held by it and not needed
for debt service requirements during the period
of restoration of the damaged property.

(4) Any amounts held by the Trustee or the Board
and remaining at the completion of and payment
for such repair or reconstruction of the damaged
property shall be deposited in the Sinking Fund
and used to retire Bonds.

**Liability Insurance**

The Board shall, if such insurance is not already in
force, procure and maintain, so long as any of the Bonds are
outstanding, Public Liability Insurance with limits of not
less than $50,000 for one person and $100,000 for more than
one person involved in one accident, to protect the Board
from claims for bodily injury and/or death which may arise
from the Board’s operation, including any use or occupancy
of its grounds, structures and vehicles. The holders of
fifty-one per cent (51%) 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, to waive the foregoing provisions as to Public Liability Insurance only to the extent and for the time set forth in such instrument or instruments of waiver. Such waiver shall be effective upon such written instrument or instruments being delivered to the Board and to the Trustee, without the execution of any Supplemental Indenture or further instrument by anyone.

Use and Occupancy

(1) Immediately upon occupancy of any portion of the Project and so long thereafter as the funds and investments of the Sinking Fund are less than the maximum debt service reserve required herein, the Board shall procure and maintain use and occupancy insurance on the Project in an amount sufficient to enable the Board to deposit in the Sinking Fund, out of the proceeds of such insurance, an amount equal to the sum that would normally have been available from the revenues of the damaged building for deposit in such Sinking Fund during the time the damaged building is non-revenue producing as a result of loss of use caused by the perils covered by the fire and extended coverage insurance.

(2) All such use and occupancy insurance policies shall be deposited with the Trustee and shall contain a loss payable clause making any losses payable to the Trustee.

All insurance policies required in this Section shall be satisfactory to the Trustee. In case the Trustee shall at any time notify the Board that it disapproved of any insurance policy the Board shall forthwith cause the policy to be amended with respect to the reason for disapproval or procure other insurance satisfactory to the Trustee.

In the event of payment to the Trustee for any loss covered by Use and Occupancy insurance, the proceeds of the loss shall be used in the following order:

First - To meet any Sinking Fund deposit or deposits then due or to become due prior to restoration of the damaged property

Second - To meet any deficiency in the cost of repairing the damaged building.

Third - Paid to the Board upon receipt of request signed by a duly authorized official.
Section 5.04. 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 to the extent other funds are not available the Board shall set apart, use and apply any funds in the Building Maintenance and Equipment Reserve Account of 1960 for the foregoing purposes.

Section 5.05. The Board covenants and agrees that whenever necessary to avoid or fill a vacancy in the office of the Trustee the Board in the manner provided in Article Nine 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.

Section 5.06. The Board covenants and agrees that it is duly authorized under the laws of Kentucky and under all other applicable provisions of law to create and issue the Bonds herein provided for, to execute and deliver this Indenture and to pledge the income and revenues of the Project, as herein provided, that all corporate and/or other action on its part for the creation and issue of said Bonds and the execution of this Indenture has been duly and effectually taken, that said Bonds when issued and in the hands of the holders thereof are and will be valid and enforceable obligations of the Board, and that this Indenture is and always will be a valid Indenture of Trust, to secure the payment of said Bonds, and that the Board has complete and lawful authority and privilege to construct, maintain and operate the Project.

Section 5.07. 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 hereto.
Section 5.08. The Board covenants and agrees upon completion of the Project, and continuously thereafter so long as any of the Bonds are outstanding, to provide from sources other than the proceeds 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 movable equipment necessary to the full enjoyment of the use and occupancy of the Project.

Section 5.09. The Board covenants and agrees that it will establish and maintain, so long as any of the Bonds are outstanding and unpaid, such perusal rules, rental rates and charges for the use and occupancy of the Project facilities as may be necessary to (1) assure maximum occupancy and use of said facilities and (2) to produce revenues sufficient to pay the principal of and interest on the Bonds as they become due, build up and maintain the required reserves and to pay the current costs of maintaining and operating the Project. The Board covenants that so long as any Bonds are outstanding under this Indenture it will assess each student occupant of the Project dormitory for each semester of the regular term and Incidental Fee of not less than $35.00 and assess each student occupant of the Project dormitory for the regular summer session an Incidental Fee of not less than $15.00.

Section 5.10. The Board covenants and agrees that it will furnish to the Trustee, and to any Bondholder upon request, within 120 days after the end of each fiscal year, beginning with the first fiscal year ending June 30 after the Project becomes income producing, a detailed report prepared by or accompanied by the opinion of a certified public accountant or a firm of independent certified public accountants who shall be satisfactory to the Trustee, containing a detailed report of the income and expenses of operations during said preceding fiscal year.

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

ARTICLE SIX
SUPPLEMENTAL INDENTURES

Section 6.01. 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 supple-
mental 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 evidence the succession of another public corporation or state agency to the Board and the assumption by such successor of the covenants and obligations of the Board in the Bonds hereby secured and in this Indenture;

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

(3) For any other purpose not inconsistent with the terms of this Indenture and which shall not impair the security of the same, or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental Indenture.

Section 6.02. 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.

ARTICLE SEVEN

REMEDIERS

Section 7.01. That for the protection of the holders of the Bonds secured by this Indenture and the interest coupons thereto attached, a statutory mortgage lien upon said Project and all properties connected therewith and belonging thereto is granted and created by Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding as provided by law, and shall take effect immediately upon the delivery of any said Bonds. The Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) of the principal amount of the Bonds then outstanding
shall, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law, including the charge, collection and accounting for sufficient rents, fees and charges and the segregation and application of the income and revenues as provided by this Indenture.

Section 7.02. 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 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 days (60) 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 cent (15%) in principal amount of the Bonds then outstanding.

Section 7.03. Upon the happening and continuance of any event of default specified in Section 7.02 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 cent (25%) in principal amount of the Bonds then outstanding shall, by a notice in writing to the Board, declare the principal of all the Bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Bonds or in this Indenture to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Indenture, moneys shall have accumulated in the Sinking Fund sufficient to pay all arrears of interest, if any, upon all the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agree 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 cent (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 7.04. Upon the happening and continuance of any event of default specified in Section 7.02 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 cent (15%) in principal amount of the Bonds then outstanding hereunder shall proceed to protect and enforce its rights and the rights of the Bondholders
under the laws of the Commonwealth of Kentucky or under
this Indenture by such suits, actions or special pro-
ceedings in equity or at law, either for the specific
performance of any covenant or agreement contained herein
or in aid or execution of any power herein granted or for
the enforcement of any proper legal or equitable remedy,
as the Trustee, being advised by counsel, shall deem
most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Indenture
the Trustee shall be entitled to sue for, enforce payment
of and receive any and all amounts then or during any
default becoming, and at any time remaining, due from the
Board for principal, interest or otherwise under any of the
provisions of this Indenture or of the Bonds and unpaid,
together with any and all costs and expenses of collection and
of all proceedings hereunder and under such Bonds, without
prejudice to any other right or remedy of the Trustee or of
the Bondholders, and to recover and enforce judgment or decree
against the Board, but solely as provided herein and in such
Bonds, for any portion of such amounts remaining unpaid, with
interest, costs and expenses, and to collect (solely from
moneys in the 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 7.05. Anything in this Indenture to the con-
trary notwithstanding, the holders of a majority in principal
amount of the Bonds at the time outstanding hereunder shall
have the right, by an instrument in writing executed and
delivered to the Trustee, to direct the method and place of
conducting all remedial proceedings to be taken by the Trustee
hereunder, provided that such direction shall not be otherwise
than in accordance with law or the provisions of this Indenture,
and that the Trustee shall have the right to decline to follow
any such direction which in the opinion of the Trustee would
be unjustly prejudicial to Bondholders not parties to such
direction.

Section 7.05. All rights of action under this Inden-
ture or under any of the Bonds secured hereby, enforceable
by the Trustee, may be enforced by the Trustee without the
possession of any of the Bonds or the coupons appertaining
thereto or the production 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.
No remedy herein conferred upon or reserved to the Trustee
is intended to be exclusive of any other remedy or remedies,
and each and every such remedy shall be cumulative and shall
be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein; and every power and remedy given by this Article to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

ARTICLE EIGHT

RELEASE AND DISCHARGE OF INDENTURE

Section 8.01. Whenever the Board shall pay, or cause to be paid, the full amount 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, and shall, in case of redemption of all of the outstanding Bonds deliver to the Trustee proof satisfactory to it that notice of redemption of all of the outstanding Bonds has been duly given, and shall pay the trustee in full for all services rendered by it hereunder, 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 further payments from the revenues hereby pledged to the Trustee shall thereupon cease, terminate and become void, except as to payment of moneys held by the Trustee which 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 Bond's and interest due, and to become due thereon, or certain of the coupons appertaining thereto, shall discharge the liability of the Board on the Bonds and/or coupons for payment of which such deposit shall be made, and thereafter such Bonds and coupons shall not be entitled to any of the benefits of this Indenture, and in case of full payment of all the Bonds and coupons and the discharge of all other obligations on the part of the Board as herein provided, or in case of the deposit of a sufficient sum of money for the full payment of the Bonds and coupons, and the discharge of all other obligations on the part of the Board, as herein provided, the Trustee 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 8.02. The satisfaction and discharge of this Indenture pursuant to 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 NINE

CONCERNING THE TRUSTEE

Section 9.01.

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

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

(b) The Trustee shall not be responsible for any recitals herein or in said Bonds, or for insuring the Project or collecting any insurance moneys, or for the execution of this Indenture or of any supplemental Indentures or instruments of further assurance or for the validity thereof, or for the sufficiency of the security for the Bonds issued under or intended to be secured hereby, or for the value or title of the Board to the Project, or as to the maintenance of the security hereof; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Board contained here, 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 money 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 money was received, but need not be segregated from other funds except to the extent required by law. The Trustee shall not be obligated to pay interest on such money, save such as it shall agree to pay thereon. 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 proper person or persons, and the Trustee shall not be required to recognize any person as a holder of any Bond or coupon or to take any action at his request unless such Bond or coupon shall be deposited with the Trustee, or submitted to it for inspection. Any action taken by the Trustee pursuant to this Indenture, upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond secured hereby, shall be conclusive and binding upon all future owners and holders of such Bond.

(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 of 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 further evidence as it may think necessary or advisable, but shall in no case be found to secure the same. The Trustee may accept a certificate of the Secretary of the Board, under its corporate seal, to the effect that a resolution in form therein set forth has been adopted by the Board, as conclusive evidence that said resolution has been duly adopted, and is in full force and effect. The Trustee may in relation to this Indenture act upon the opinion or advice of any attorney, valuator, surveyor, engineer, accountant or other expert, whether retained or selected by the Trustee, the Board or otherwise, and in the absence of negligence or wilful default shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

(g) In the absence of negligence or wilful default, 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 of power conferred upon it by this Indenture or be responsible for the consequence of any oversight or error of judgment, and the Trustee shall be answerable only for its own acts, receipts, neglects and defaults.

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

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

Section 9.02. The Trustee may at any time resign and be discharged of the trusts hereby created, by mailing written notice to the Board and to each registered owner of Bonds,
specifying the day upon which such registration 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 City of Louisville, Kentucky, and (b) in a financial newspaper or journal published in the English language in New York, New York, once a week for three (3) consecutive weeks prior to the date upon which 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 in this Article provided, and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

Section 9.03. 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 9.04. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in principal amount of the Bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing, signed by such holders or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of any such event the Board, by an instrument signed by the Chairman and attested by the Secretary, under its corporate seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner above provided, and any such temporary Trustee so appointed by the Board shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders. Each successor Trustee appointed pursuant to the provisions of this Indenture shall be a trust company or bank with its principal office in the Commonwealth of Kentucky and having a reported combined capital and surplus of at least One Million Dollars ($1,000,000).

Section 9.05. 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 con-
veyance, shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of the Board, execute and deliver an instrument transferring to such successor Trustee all the 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 conveyance or instrument in writing from the Board be required by any successor for more fully and certainly vesting in such Trustee the rights, powers and duties thereby vested or intended to be vested in the predecessor Trustee, any and all such conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board.

ARTICLE TEN

MISCELLANEOUS PROVISIONS

Section 10.01. 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, as hereinbefore provided, or in the event that any coupon shall not be presented for payment at the due date thereof, the Board having deposited with the Trustee funds sufficient to pay such Bond, together with all interest due thereon to the date of the maturity of such Bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, then and in every such case, interest on said Bond or on said unpaid coupon, and all liability of the Board to the holder of such Bond for the payment of the principal thereof and interest thereon or to the holder of said unpaid coupon for the payment thereof and interest thereon, as the case may be, shall forthwith cease and be completely discharged, and thereupon it shall be the duty of the Trustee to hold the funds, so deposited in trust, for the benefit of the holder of such Bond or unpaid coupon, as the case may be, who shall thereafter be restricted exclusively to said Bonds 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.

Section 10.02. Except as in this Section otherwise expressly provided, the holders of seventy-five per cent (75%) or more in principal amount of the Bonds at any time outstanding shall have the power, by an instrument or instruments in writing, signed by such holders in person or by their duly authorized agents or attorneys or by a committee constituted by an agreement to which any portion of the Bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or
alteration of this Indenture or any Indenture supplemental hereto or the rights and obligations of the Board under this Indenture or of the holders of Bonds and coupons issued under this Indenture in any particular. When such modification or alteration is approved by the Board it shall be binding upon the holders of all of the Bonds then or from time to time thereafter outstanding under this Indenture as fully as though such action were specifically and expressly authorized by the terms of the Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Board to pay the principal of and interest on the Bonds at the respective dates and at the places and in the respective amounts, as provided in the Bonds, (b) shall give to any Bond or Bonds secured by the Indenture any preference over any other Bond or Bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the said statutory mortgage lien upon any of the property subject to such statutory 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.

Section 10.03. Whenever in this Indenture any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Board, or by or on behalf of the Trustee shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

Section 10.04. Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the parties hereto and the holders of the Bonds and of coupons, any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions in this Indenture contained, by or on behalf of the Board, shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the Bonds and of coupons.

Section 10.05. Any request, declaration or other instrument required or permitted by this Indenture to be made or given by Bondholders may be in any number of concurrent instruments or similar tenor and may be signed or executed by such Bondholders in person or by attorney
appointed in writing. Proof of the execution of any such request, declaration or other instrument or of a writing appointing any such attorney, and of the holding by any person of Bonds transferable by delivery or interest coupons shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee as against the person signing such request and all future holders of the Bonds held by such person with regard to due action taken by the Trustee under such request, declaration or other instrument, if made in the following manner:

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

Section 10.06. This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The date of actual execution of this Indenture shall be the date of execution by the Trustee.

ARTICLE ELEVEN

IDENTIFICATION OF THE PROJECT

Section 11.01. The "Project" as referred to throughout this Indenture is hereby identified as a new dormitory building and all appurtenances thereto, designed to accommodate 204 male students, a snack bar to accommodate 300 persons and two faculty apartments, to be constructed by the Board, upon a portion of the campus of the College, in the City of Bowling Green, County of Warren, Kentucky, described as follows:

Starting at a point on the south side of Sixteenth Street 68 feet west of the intersection of the right-of-way along Sixteenth Street and Normal Boulevard, then South 75 degrees 38 minutes West
230 feet, then North 1°6 degrees 0 minutes
West 258 feet, then North 1°2 degrees 0 minutes
East 193 feet, more or less, to the south right-of-way of Sixteenth Street then 382 feet along
the south right-of-way of Sixteenth Street to
the beginning.

Said description being according to a plat or
survey of said property of Western Kentucky
State College by Walter Scott Roberts, Architect,
dated April 27, 1960.

Title to the above-described property was acquired
by deed from Miss Martha J. Lewis to the Common-
wealth of Kentucky for the use and benefit of
Western Kentucky State Normal School of Bowling
Green, Kentucky, on June 28, 1909, by deed recorded
in Deed Book 106, page 376, in the Warren County
Court Clerk's Office

IN WITNESS WHEREOF, the party of the first part has
causd its corporate name to be hereunto subscribed by the
Chairman of its Board of Regents and its corporate seal to
be attested and this Indenture to be countersigned by the
Secretary of its Board of Regents, and said Bowling Green
Bank and Trust Company, to evidence its acceptance of
the trusts hereby created and vested in it, has caused its
corporate name to be hereunto subscribed by its President
or by one of its Vice Presidents, and its corporate seal
to be hereeto affixed, and said seal to be attested and this
Indenture to be countersigned by its Trust Officer, all as of
the first day and year first above written, but actually
on this ______ day of________________, 196__

________________________
BOAID OF REGENTS OF WESTERN KENTUCKY
STATE COLLEGE AT BOWLING GREEN, KENTUCKY,

By

(Seal)

Attest:                             Countersigned:
                                     ____________________________
                                     Secretary

BOWLING GREEN BANK AND TRUST COMPANY

By

(Seal)

Attest:                             Countersigned:
                                     ____________________________

NOTE: This Indenture recorded in
Deed Book 250, page 434--
Warren County Court Clerk's Office
Before Mr. Hayes excused himself from the meeting, the following resolution which pertained to the proposed New Residence Hall for Women, identified as Project No. CH-Ky-36(D), was presented:

RESOLUTION

BE IT RESOLVED, That the Board of Regents of Western Kentucky State College authorizes President Kelly Thompson to employ Franklin P. Hays of the firm of Skaggs, Hays & Fahey, Louisville, Kentucky, as bond counsel for Project No. CH-Ky-36(D), with the Housing and Home Finance Agency.

Mr. Harlin moved that the above resolution be adopted. The motion was seconded by Mr. Lawrence. On roll call the vote was as follows:

Aye: Mr. Butler, Mr. Lawrence, Mr. Hammons, Mr. Keen, Mr. Roland, and Mr. Harlin

Nay: None

The critical housing situation for students was reviewed by the President. Stating that all housing facilities in Bowling Green for women students have been exhausted, the President recommended the adoption of an emergency measure for the occupancy by women students of the New Residence Hall for Men for a period of one year, commencing in September, 1961. Stating that this emergency was foreseen several months ago, the President outlined the building construction measures that had been taken to apply equip this building for the occupancy of women and stated that at the end of the 1961-62 school year, the building would be reverted to its original purpose to house male students. Adding that this proposal was strictly an administrative matter and that it was the conviction of all people concerned that the proposed emergency measure was a wise one, he solicited the reaction of the Board to the above plan. Mr. Hammons moved that an emergency be declared in regard to the occupancy of the New Residence Hall for Men and that the President's recommendation that it be assigned for the use of women students for the school year 1961-62 be approved. The motion was seconded by Mr. Harlin and upon roll call carried. The vote was as follows:

Aye: Mr. Butler, Mr. Lawrence, Mr. Hammons, Mr. Keen, Mr. Roland, and Mr. Harlin

Progress to date on the proposed New Dormitory for Women was outlined by President Thomson. Reference was made to a recent communication from the Engineering Staff of the State Department of Finance in which it was stated that preliminary plans on this project had been approved and that final plans would be authorized upon receipt of a Commissioner of Finance Order.
The announcement of a grant of $23,420.00 by the National Science Foundation for the third summer institute on the Western campus for high school juniors was made by the President. He stated that this grant was the eleventh award that the College had received from the Foundation since 1958 for a total of $319,700.00.

The Report of Audit for the period July 1, 1959, through June 30, 1960, copies of which were previously mailed to the Board members, was presented by President Thompson. The motion was made by Mr. Keen that the Audit be accepted. The motion, seconded by Mr. Poland, carried unanimously.

President Thompson made reference to a recent audit of the National Defense Student Loan Fund, which is administered by the College Heights Foundation, and covers the period from the inception of the program in February, 1959 through November 30, 1960. He added that the audit, which was made by the Bowling Green accounting firm of James R. Meary and Associates, would be submitted at the next meeting of the Board of Directors of the Foundation for their approval or rejection.

The next item on the agenda was a report by President Thompson concerning accumulated funds amounting to $37,474.96 in the McLean Hall dormitory bond and interest sinking fund account. After outlining the status of this account, President Thompson recommended that the sum of $70,000.00 be invested in short term Treasury Bills. Mr. Hammons made the motion that the President's recommendation be approved. The motion, seconded by Mr. Poland, carried unanimously.

President Thompson reported on negotiations to date in the acquisition of seven parcels of real estate on the Russellville Road—the site of the proposed combination academic-athletic building. He stated that checks were ready for delivery to six of the property owners upon completion of deeds, which were not being prepared, and that the seventh parcel of land would be acquired by condemnation.

A favorable report of progress on construction of the new science building was made by the President. Stating that after conferences with the contractor and after exerting other means of pressure, it was now indicated that progress was being made on schedule. He stated that, as in the case of the new Residence Hall for Men, the College would keep a close check on the contractor in an effort to avert a lag in progress and insure the completion of this building on schedule.

President Thompson reported that plans for the proposed academic-athletic building were being finalized, having progressed to the stage of "specifcics." He described the building as "one which will prove to be one of the most unique and serviceable college buildings ever built in the South." He stated that a request for construction funds, over and above that which would be derived from the revenue-producing bonds, had been submitted to the State.
A projection report of capital outlay needs for the remainder of this fiscal year and a projection of needs for the next biennium, as requested by and submitted to the State Department of Finance, was reviewed by President Thompson. In commenting on the projection, the President stated that the College had no assurance that approval would be forthcoming for any definite amount of the projection. He did express the opinion, however, that a reasonable part would be accomplished and stated that the order of priority should follow the plan as outlined.

A request by Miss Lourine Cave, a faculty member, for an extension of leave of absence until the beginning of the second semester of the 1961-62 school year in order to continue work toward the Ph. D. degree, was presented by President Thompson. Upon the President's recommendation, Mr. Harlin moved that Miss Cave's request be approved. The motion, seconded by Mr. Lawrence, carried unanimously.

The next item of business was a report by President Thompson concerning the requested resignation of Ted K. Dyer, a member of the faculty. The President reviewed the conditions of employment of Mr. Dyer. He reported on three conferences with him and on investigations into his background which verified that Mr. Dyer was an alcoholic. President Thompson stated that Mr. Dyer, then not under the influence of alcohol, was an excellent mathematics teacher, and that he had been most cooperative with the College in submitting his resignation. The Board went on record as endorsing any action that might be taken by the President in this matter.

A report on the situation concerning Miss Justine Lynn, a member of the faculty of the English Department, was given by President Thompson. At the President's request, no recommendation was made nor action taken.

Upon the recommendation of President Thompson, the motion was made by Mr. Lawrence that a check in the amount of $114.75 be issued from the College Activity Fund account to Mr. E. A. Diddle, Athletic Director, for reimbursement of money stolen from him while on official business for the College. The motion, seconded by Mr. Harlin, carried unanimously.

The next item of business was a report by President Thompson on the proposed establishment of open public bars in the City of Bowling Green. The President outlined the course of action that had been followed by the College in protecting what was believed to be its best interests, and of its official protest to the State Alcoholic Beverage Control Board against the issuance of any license for the establishment of any open public bar in the city. The Board went on record as unanimously endorsing the action taken by the President in this matter.

A recommendation concerning the establishment of a formal relationship between the College and certain part-time teachers was submitted by President Thompson. He stated that this action would
enhance the College's relationship with those teachers and would, in turn, make for a better instructional situation. The recommendation follows:

RECOMMENDATION

1. It is proposed that the Dean of the College establish a credentials file on all special instructors who more or less regularly teach classes at the College during the regular semester or the summer term.

2. Furthermore, it is proposed that the College be authorized by the Board of Regents to formally associate certain of these individuals with the departmental faculties.

3. In this connection, it is proposed that the association of individual instructors or professors be approved by the Board of Regents upon the recommendation of the administration of the College.

4. It is proposed further that special instructors who are associated formally with the College be designated as Associated Instructors or Professors, depending upon the highest college degree which the individual holds, and it is also proposed that the names of the Associated Instructors or Professors be published in the College catalog.

5. Moreover, it is proposed that a special instructor be associated with the College only after the department head and the Dean have evaluated the teaching effectiveness of the individual over a period of at least one semester or summer term.

6. Finally, it is proposed that instructors who are not formally associated with the College be permitted to teach classes only on an emergency or trial basis.

The motion was made by Mr. Lawrence that the above recommendation be approved. The motion, seconded by Mr. Poland, carried unanimously.

The next item of business was the presentation by President Thompson of a proposal for the inauguration of a program that would lead to the eventual establishment of a Department of Business and Government at Western. Each member was presented with a copy of the proposal. The President suggested that it be studied and stated that the matter would be discussed at the next meeting of the Board.

An announcement was made by Mr. Lawrence in regard to the assignment given to Mr. L. T. Smith, Physical Plant Administrator, on December 13, 1960, concerning the naming of new buildings. Mr.
Lawrence stated that Mr. Smith was continuing his study of this matter and that recommendations would be made at a subsequent Board meeting.

A report on the spring 1961 enrollment was made by the President. He stated that the official enrollment was 3,513.

At this time the Board went into an executive session. President Thompson, Mr. Smith, and Miss Bates excused themselves from the room. At the conclusion of the executive session, President Thompson was called back into the room and Mr. Lawrence announced to the President, in a very complimentary manner, that the President's salary had been increased from $15,000 to $18,000 per year, retroactive to July 1, 1960, in accordance with previous actions of the Board as outlined in the minutes of February 7, 1959, and others. The motion for the increase was made by Mr. Keen and seconded by Mr. Hammons. The roll call was as follows:

Aye: Mr. Butler, Mr. Lawrence, Mr. Hammons, Mr. Keen, Mr. Poland, Mr. Harlin

Nay: None

In graciously accepting this salary increase, President Thompson stated that he would strive faithfully and diligently to justify this great manifestation of confidence.

There being no further business, on motion of Mr. Hammons, seconded by Mr. Poland, the meeting adjourned.

MINUTES OF BOARD MEETING
April 3, 1961

A special called meeting of the Board of Regents of Western Kentucky State College was held in the office of President Thompson on Monday, April 3, 1961 at 10:30 a.m., CST.

Mr. Femis Lawrence, Vice Chairman, presided.

The meeting was opened with a prayer of invocation by Mr. Maxey B. Harlin.

Present, in addition to Mr. Lawrence and Mr. Harlin, were Mr. Douglas Keen and Mr. Owen C. Hammons.