CERTIFIED RECORD

OF

PROCEEDINGS OF

THE BOARD OF TRUSTEES

FOR

ADAMS STATE COLLEGE

RELATING TO A MASTER BOND RESOLUTION AUTHORIZING

THE ISSUANCE OF AUXILIARY FACILITIES REVENUE BONDS AND INSTITUTIONAL ENTERPRISE REVENUE BONDS

This cover page is not a part of the following Master Bond Resolution and is included solely for the convenience of the reader.
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MASTER BOND RESOLUTION

WHEREAS, the Board of Trustees for Adams State College, a body corporate (the “Board”), is empowered by virtue of its organization under the constitution and laws of the State of Colorado (the “State”), particularly Section 5 of Article VIII of the constitution of the State and Title 23, Article 52, Colorado Revised Statutes, as amended, to have general control and management of Adams State College, at Alamosa, Colorado (“Adams State College” or the “College”), and to do all things incidental thereto, including the general supervision of the College and the exclusive control and direction of all funds thereof and appropriations thereto unless otherwise provided by law; and

WHEREAS, Article X, Section 20 of the Colorado Constitution, containing certain limitations and requirements with regard to the creation of multi-fiscal year obligations and other undertakings of state and local government, applies to any “district” meaning the state or any local government, excluding enterprises; and

WHEREAS, the term “enterprise” for purposes of Article X, Section 20 of the Colorado Constitution is defined in Section (2)(e) thereof to mean a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined; and

WHEREAS, under Colorado Revised Statutes Section 23-5-101.5, 23-5-102, 23-5-103, 23-5-104 and 23-5-105 (collectively, the “Auxiliary Facilities Enterprise Act”) Auxiliary any auxiliary facility or group of auxiliary facilities with similar functions which is managed by the governing body of an institution of higher education in the State, including, without limitation, the Board, may be designated as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution, so long as the governing body of the institution of higher education retains the authority to issue revenue bonds on behalf of such auxiliary facility or group of auxiliary facilities, and such auxiliary facility or group of auxiliary facilities receives less than 10% of its total annual revenues in grants from all Colorado state and local governments combined; and

WHEREAS, under Colorado Revised Statutes Section 23-5-101.5, it is sufficient that the governing body of an institution of higher education, including, without limitation, the Board, has the authority to issue revenue bonds on behalf of such auxiliary facility or group of auxiliary facilities, and so long as it is designated as an enterprise pursuant to the provisions of Colorado Revised Statutes Section 23-5-101.5, any auxiliary facility or group of auxiliary facilities shall not be subject to any of the provisions of Section 20 of Article X of the Colorado Constitution; and

WHEREAS, the Board has, by one or more resolutions adopted in accordance with Colorado Revised Statutes Article 5 of Title 23, designated an auxiliary facility or group of auxiliary facilities with similar functions as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution, which facilities include, but are not limited to, the Facilities (as defined herein); and
WHEREAS, the designation of such facility or group of facilities, including the Facilities, as an enterprise for purposes of Section 20 of Article X of the Colorado Constitution was submitted by the Board, as required by Colorado Revised Statutes Section 23-5-101.5(3)(b) to the office of the State Auditor in the form and manner prescribed by the Legislative Audit Committee of the Colorado General Assembly; and

WHEREAS, such designation has been reviewed by the office of the State Auditor and the State Auditor has determined that such designation is within the authority of the Board pursuant to the provisions of Colorado Revised Statutes Section 23-5-101.5 and such designation has also been reviewed by the Legislative Audit Committee which has rendered its opinion to the effect that such designations conform with the provisions of such Section; and

WHEREAS, under Colorado Revised Statutes Section 23-5-102 for the purpose of obtaining funds for constructing, otherwise acquiring, and equipping “auxiliary facilities,” as defined below, for the use of students and employees at any state education institution or any branch thereof, including the College, and for the acquisition of land for such purposes, the governing board of any state educational institution, including the Board, is authorized, after notification of the Colorado Commission on Higher Education, to enter into contracts with any person, corporation, or state or federal government agency for the advancement of money for such purposes and providing for the repayment of such advances with interest at a specified net effective interest rate; and

WHEREAS, under Colorado Revised Statutes Section 23-5-103, the Board is further authorized to pledge the net income derived or to be derived from such land or facilities so constructed, acquired and equipped as security for the repayment of the moneys advanced therefor, together with the interest thereon, and for the establishment and maintenance of reserves in connection therewith; and

WHEREAS, for such purpose, such Section further provides that the Board is also authorized to pledge the net income derived or to be derived from other auxiliary facilities which are not individually designated as enterprises and which are not acquired and not to be acquired with moneys appropriated to the College by the State; and

WHEREAS, the Board is further authorized to pledge the net income, fees and revenues derived from such sources, if unpledged, or if pledged, the net income, fees and reserves currently in excess of the amount required to meet principal, interest, and reserve requirements in connection with the outstanding obligations to which such net incomes, fees and reserves have theretofore been pledged; and

WHEREAS, the Board is further authorized to issue bonds payable from such sources, all as more fully set forth in Colorado Revised Statutes Section 23-5-103; and

WHEREAS, the Board is prohibited, under the provisions of Colorado Revised Statutes Section 23-5-104 from creating any mortgage upon any property belonging to the Board, and the Board is further prohibited from obligating the State, for the purpose of securing the repayment of any funds obtained from such borrowings; and
WHEREAS, pursuant to and in accordance with the provisions of Colorado Revised Statutes Sections 23-5-101.7, 23-5-102, 23-5-103, 23-5-104 and 23-5-105 (collectively, the “Institutional Enterprise Statute”), upon satisfaction of certain conditions the Board may designate the College as an enterprise for purposes of Article X, Section 20 of the Colorado Constitution (the “Institutional Enterprise”), which designation must be submitted for review by the State Auditor and approved by the Legislative Audit Committee of the State General Assembly; and

WHEREAS, in accordance with the provisions of the Institutional Enterprise Statute, after such designation the Board will be authorized to issue, from time-to-time, revenue bonds on behalf of the Institutional Enterprise (“Institutional Enterprise Revenue Bonds”) to finance and refinance the construction, other acquisition, equipping and operation of facilities for the College, including but not limited to the Facilities, academic, administrative and other facilities determined by the Board to be necessary or desirable for the operation of the College, as well as facilities financed or refinanced with revenues from the Facilities; and

WHEREAS, this Master Bond Resolution (the “Master Resolution”) is intended to govern the issuance of, and establish general provisions relating to Auxiliary Facilities Revenue Bonds and Institutional Enterprise Revenue Bonds issued hereunder by the Board on behalf of the College pursuant to the Auxiliary Facilities Enterprise Act and the Institutional Enterprise Statute; and

WHEREAS, any Auxiliary Facilities Revenue Bonds issued hereunder shall be payable and collectible solely out of the Net Revenues (as defined herein), as provided herein and in the Supplemental Resolution (as defined herein) for the series of Auxiliary Facilities Revenue Bonds, and such other funds and accounts of the College as therein provided; and

WHEREAS, any Institutional Enterprise Revenue Bonds issued hereunder shall be payable and collectible solely out of the Institutional Enterprise Revenues (as defined herein), as provided herein and in the Supplemental Resolution (as defined herein) for the series of Institutional Enterprise Revenue Bonds, and such other funds and accounts of the College as therein provided; and

WHEREAS, additional terms of each series of Auxiliary Facilities Revenue Bonds or Institutional Enterprise Revenue Bonds issued by the Board on behalf of the College will be specified in a Supplemental Resolution, adopted as provided herein in connection with the issuance of such series of Bonds; and

WHEREAS, upon issuance of the Series 2009 Bonds authorized by the First Supplemental Resolution, there will be no bonds or other obligations other than the Series 2009 Bonds payable from or secured by the Net Revenues or the Institutional Enterprise Revenues pledged herein; and

WHEREAS, it is hereby determined that all conditions to the adoption of this Master Resolution by the Board have been satisfied and that this Master Resolution shall be effective without further action by the Board immediately upon its adoption by the Board;
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES FOR
ADAMS STATE COLLEGE, IN LAWFUL MEETING ASSEMBLED:

ARTICLE I

DEFINITIONS; EFFECTIVE DATE

Section 1.01. Definitions. In addition to terms defined in the recitals and the text of this
Master Resolution, the following terms shall have the designated meanings for all purposes of
this Master Resolution, except where the context by clear implication otherwise requires:

“Accreted Value” means the amount defined as such in a Supplemental Resolution for
purposes of determining the Redemption Price of, rights of the owner of or other matters with
respect to a Capital Appreciation Bond.

“Accretion Date” means any date defined as such in a Supplemental Resolution for
purposes of determining the Accreted Value or Maturity Value of any Capital Appreciation
Bond.

“Additional Payment Fund” means the “Additional Payment Fund” created in
Section 5.01 hereof, including all accounts created therein, to pay amounts due to a Credit
Facility Provider and Exchange Termination Payments or other similar payments which are
payable pursuant to Sections 5.03(e) and 5.04(e) hereof.

“Authorized Denominations” has the meaning ascribed to such term in a Supplemental
Resolution.

“Auxiliary Facilities Enterprise Act” means Sections 23-5-101.5, 23-5-102, 23-5-103,
23-5-104 and 23-5-105, Colorado Revised Statutes, as amended.

“Auxiliary Facilities Revenue Bonds” means any bond or bonds or Commercial Paper
Notes, as the case may be, authenticated and delivered under and pursuant to this Master
Resolution, and secured only by the pledge of Net Revenues as provided in Section 2.03(a).

“Average Annual Debt Service Requirement” means the amount determined by dividing
(x) the total Debt Service Requirements on all Outstanding Bonds and any Commercial Paper
Term Loan for the period from the date of calculation to the final maturity date of such Bonds
and any Commercial Paper Term Loan by (y) the total number of years and fractions thereof
from the date of calculation to the final maturity date of such Bonds and any Commercial Paper
Term Loan; provided, however, that for the purposes of such calculation the principal amount of
such Outstanding Bonds shall be reduced in any year by amounts expected to be paid by the
application of moneys on deposit in the Reserve Fund and any proceeds of a series of Bonds
deposited to the credit of an account for the payment of capitalized interest on Bonds.

“Board” means the Board of Trustees for Adams State College, a body corporate under
the constitution and laws of the State. The term also includes any body succeeding to the rights
and obligations of the Board of Trustees for Adams State College in respect of the College, and
in such event any reference to designated officers of the Board herein shall be construed to be references to the correlative officers of such succeeding body corporate and politic.

“Board Representative” means the Chair of the Board, the President of the College, the Vice President for Finance and Administration of the College, or any other officer or employee of the College that is designated to act as the Board Representative hereunder by the Board.

“Bond” or “Bonds” means, collectively, the Auxiliary Facilities Revenue Bonds and the Institutional Enterprise Revenue Bonds, authenticated and delivered under and pursuant to this Master Resolution, but excluding any Special Obligation Bonds.

“Bond Counsel” means an attorney or firm of attorneys, selected by the Board, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

“Bondholder,” “bondowner” or “owner” of Bonds means the registered owner of any Bonds.

“Business Day” means, except as otherwise defined in any Supplemental Resolution, a day other than (a) a Saturday or Sunday or legal holiday or a day on which banking institutions in any of the cities in which the principal offices of the Board, the Issuing and Paying Agent for any Commercial Paper Notes, and the dealer for any Commercial Paper Notes and the office of any Credit Facility Provider at which demands for payment under the Credit Facility are to be presented are located are authorized by law or executive order to close; or (b) a day on which the New York Stock Exchange is closed.

“Capital Appreciation Bond” means any Bond on which interest is not due prior to maturity.

“Capital Construction Debt Service Fee” means the mandatory student fee imposed in 2009 related to capital construction debt service obligations, which Capital Construction Debt Service Fee shall continue indefinitely and shall be $3.50 per credit hour beginning in Fiscal Year 2009, and shall increase annually until Fiscal Year 2018 at which time it will be capped at $97.00 per credit hour; such Capital Construction Debt Service Fee is exclusive of any Institutional Enterprise Facility Construction Fee.

“Code” means the Internal Revenue Code of 1986, as amended, and regulations and rulings promulgated or proposed thereunder or (to the extent the same remain applicable) under any predecessor thereto.

“Commercial Paper Credit Facility” means any Credit Facility supporting payment of principal of and interest on any Commercial Paper Notes.

“Commercial Paper Credit Facility Account” means an account so designated which is created under a Supplemental Resolution authorizing the issuance of any Commercial Paper Notes, which account shall be maintained by the Issuing and Paying Agent as provided in any Supplemental Resolution authorizing any Commercial Paper Notes.
“Commercial Paper Credit Facility Provider” means any provider of a Commercial Paper Credit Facility.

“Commercial Paper Note Interest Account” means an account so designated which is created under a Supplemental Resolution authorizing the issuance of any Commercial Paper Notes, which account shall be maintained by the Issuing and Paying Agent as provided in any Supplemental Resolution authorizing any Commercial Paper Notes.

“Commercial Paper Note Principal Account” means an account so designated which is created under a Supplemental Resolution authorizing the issuance of any Commercial Paper Notes, which account shall be maintained by the Issuing and Paying Agent as provided in any Supplemental Resolution authorizing any Commercial Paper Notes.

"Commercial Paper Note Proceeds Account” means an account so designated which is created under a Supplemental Resolution authorizing the issuance of any Commercial Paper Notes, which account shall be maintained by the Issuing and Paying Agent as provided in any Supplemental Resolution authorizing any Commercial Paper Notes.

“Commercial Paper Notes” means any commercial paper notes authorized under a Supplemental Resolution and issued on a parity with the outstanding Bonds.

“Commercial Paper Term Loan” means any term loan extended to the Board by the Commercial Paper Credit Facility Provider under the terms of a Reimbursement Agreement.

“Credit Enhanced Bonds” means Bonds the payment of which, or other rights in respect of which, are secured in whole or in part by a Credit Facility or by a pledge of revenues other than Net Revenues or the Institutional Enterprise Revenues.

“Credit Facility” means any letter of credit, standby bond purchase agreement, line of credit, loan, guaranty, revolving credit agreement, bond insurance policy, or similar agreement provided by a Credit Facility Provider to provide support to pay the principal of, interest on or purchase price of any Bonds.

“Credit Facility Provider” means any provider of a Credit Facility.

“Credit Facility Reimbursement Obligations” means the obligations of the Board under any Reimbursement Agreement or otherwise pursuant to any Credit Facility to reimburse a Credit Facility Provider for drawings made under any Credit Facility, including principal of and interest on such obligations under any Reimbursement Agreement and payments of principal of and interest on any Commercial Paper Term Loan.

“Debt Service Fund” means the “Debt Service Fund,” established in Section 5.01(a) hereof, including all accounts created therein.

“Debt Service Requirements” means, for any period, the sum of: (a) the amount required to pay the interest, or to make reimbursements for payments of interest, becoming due on the applicable Bonds and any Commercial Paper Term Loan during such period; plus (b) the amount required to pay the principal or Accreted Value, or to make reimbursements for the payment of
principal or Accreted Value, becoming due on the applicable Bonds and any Commercial Paper Term Loan during that period, whether at maturity, on an Accretion Date, or upon mandatory sinking fund redemption dates; plus (c) any net periodic payments on a notional amount required to be made by the Board pursuant to a Qualified Exchange Agreement; minus (d) any net periodic payments on a notional amount to be received by the Board pursuant to a Qualified Exchange Agreement.

(i) No payments required on Bonds or any Commercial Paper Term Loan which may occur because of the exercise of an option by the Board, or which may otherwise become due by reason of any other circumstance or contingency, including acceleration, which constitute other than regularly scheduled payments of principal, Accreted Value, interest, or other regularly scheduled payments on Bonds or any Commercial Paper Term Loan shall be included in any computation of Debt Service Requirements for any computation period prior to the maturity or otherwise certain due dates thereof.

(ii) (A) Debt Service Requirements required to be made pursuant to a Qualified Exchange Agreement shall be based upon the actual amount required to be paid by the Board, if any, to the Qualified Counterparty. In determining that amount, any payments required to be made by either party to the Qualified Exchange Agreement at a variable interest rate shall be computed, in determining the obligation of the Board under the Qualified Exchange Agreement, using the procedures set forth in paragraph (vi) of this definition.

(B) Exchange Termination Payments shall be considered as part of Debt Service Requirements on the date of computation only if those Exchange Termination Payments have a lien on Net Revenues on a parity with the lien of the Bonds and have become due and remain unpaid at the time of computation in accordance with the terms of the applicable Qualified Exchange Agreement.

(iii) Unless, at the time of computation of Debt Service Requirements, payment of interest and principal on Bonds are owed to, or Bonds are owned or held by, the provider of a Credit Facility pursuant to the provisions of that Credit Facility, the computation of interest for the purposes of this definition shall be made without considering the interest rate payable pursuant to a Credit Facility.

(iv) For the purpose of the definition of Debt Service Requirements, the Accreted Value of Capital Appreciation Bonds shall be included in the calculation of interest and principal only for the applicable year during which the Accreted Value becomes payable.

(v) In the computation of Debt Service Requirements relating to the issuance of Additional Bonds and the rate covenant in Section 8.05 hereof, there shall be deducted from that computation amounts and investments which are irrevocably committed to make designated payments on Bonds included as part of the computation during the applicable period, including, without limitation: (A) money on deposit in any debt service account or debt service reserve account; (B) amounts on deposit in an escrow account;
(C) proceeds of a series of Bonds deposited to the credit of an account for the payment of capitalized interest on Bonds included as part of the computation; and (D) earnings on such investments which are payable and required to be used, or which are used, for the payment of Debt Service Requirements during the applicable period.

(vi) To determine Debt Service Requirements for Bonds with a variable interest rate (including any Commercial Paper Notes) or for any Commercial Paper Term Loan, the Board shall use the procedures set forth in the following paragraphs to determine the amount of interest or other payments to be paid by the Board on those Bonds or any Commercial Paper Term Loan and the amount of credit against Debt Service Requirements for payments to be received by the Board based upon variable interest rates to be made by a Qualified Counterparty or otherwise.

(A) During any period for which the actual variable interest rates are determinable, the actual variable interest rates shall be used. During any period when the actual variable interest rates are not determinable, the variable interest rates shall, for the purpose of determining Debt Service Requirements, be deemed to be the higher of:

(1) the actual variable interest rates, if any, at the time of computation; or

(2) a fixed annual rate equal to the prevailing variable interest rate on the date of computation as certified by the Board’s financial advisor, another investment banker designated by the Board from time-to-time, or a Qualified Counterparty.

(B) Prospective computations of variable interest rates on Bonds, other than pursuant to a Qualified Exchange Agreement, or on any Commercial Paper Term Loan shall be made on the assumption that the applicable Bonds or any Commercial Paper Term Loan bear interest at a fixed annual rate equal to:

(1) the average of the daily rates of such Bonds during the 365 consecutive days (or any lesser period such Bonds or any Commercial Paper Term Loan have been Outstanding) next preceding a date which is no more than 60 days prior to the date of the issuance of the Additional Bonds or any Commercial Paper Term Loan; or

(2) with respect to Bonds or any Commercial Paper Term Loan initially issued or incurred as or being converted to variable interest rate Bonds or any Commercial Paper Term Loan, the estimated initial rate of interest on such Bonds or any Commercial Paper Term Loan on the date of issuance, exchange or conversion as certified by the Board’s financial advisor, an investment banker designated by the Board from time-to-time or a Qualified Counterparty.

(C) Prospective computations of variable interest rates for a Qualified Exchange Agreement shall be based upon:
(1) the actual interest rate used to compute the net amount most recently paid, as of the date of computation, by the Board to the Qualified Counterparty or (expressed as a negative number) by the Qualified Counterparty to the Board; or

(2) if no such payment has been made under the pertinent Qualified Exchange Agreement, the interest rate used to determine the estimated initial net payment obligation on such Qualified Exchange Agreement on the computation date as certified by the Board’s financial advisor, an investment banker designated by the Board from time-to-time or a Qualified Counterparty.

(D) Prospective computations of Debt Service Requirements on Commercial Paper Notes for purposes of Section 7.03(b) hereof shall assume that the amount of Commercial Paper Notes Outstanding for any period will be the aggregate principal amount of Commercial Paper Notes Outstanding as of the date of calculation, adjusted to take into account the amount of Commercial Paper Notes that the Board reasonably expects to be issued and the amount that the Board reasonably expects to mature without being replaced by new Commercial Paper Notes during each 12-month period beginning on the date of computation, based on the Board’s projections for upcoming financings involving Commercial Paper Notes.

(E) Prospective computations of Debt Service Requirements for purposes of Section 7.03(b), for Bonds bearing interest at a variable interest rate (including any Commercial Paper Notes), shall be made, with respect to the payment of the then outstanding principal amount thereof (except as otherwise specifically provided with respect to mandatory sinking fund redemption payments for such Bonds), with the assumption that such Bonds would be amortized over a term of not more than 25 years (or such lesser term ending on the final maturity date for such Bonds) and with substantially equal annual payments.

(vii) The purchase or tender price of Bonds resulting from the optional or mandatory tender or presentment for purchase of those Bonds shall not be included in any computation of Debt Service Requirements.

“Debt Service Reserve Account” means an account created within the Reserve Fund, as provided in Sections 5.03(c) and 5.04(c) hereof, for each separate series of Bonds for which there is a reserve requirement.

“DTC” means The Depository Trust Company, New York, New York, or any successor thereto.

“Exchange Termination Payment” means the net amount payable and calculated pursuant to a Qualified Exchange Agreement by the Board or a Qualified Counterparty to compensate the other party for any losses and costs that such other party may incur as a result of the early
termination of the obligations, in whole or in part, of the parties under that Qualified Exchange Agreement and all other amounts due under a Qualified Exchange Agreement that are not regularly scheduled payments thereunder.

“Facilities” means:

(a) the student or faculty housing facilities, student or faculty dining facilities, recreational facilities, student activities facilities, continuing education facilities or activities, health facilities, college bookstore, or student or faculty parking facilities of the College, including all improvements, extensions, enlargements or betterments thereto or replacement thereof; and

(b) all revenue-producing facilities related to the operation of the College, the income of which the Board hereafter determines, by resolution and without further consideration from the owners of the Bonds, to pledge to the payment of Bonds, pursuant to law then in effect and not in conflict with the provisions and limitations of the Resolution, rather than with a separate and independent pledge of revenues; but

(c) such term does not include, unless hereafter determined by the Board by resolution and pursuant to law then in effect, any facilities that were or will be built with moneys appropriated to the College or to the Board by the State.

“College Service Fee” means a mandatory College Service Fee imposed against and collected from each student enrolled for the designated minimum number of credit hours per academic term at the College.

“First Supplemental Resolution” means the First Supplemental Resolution adopted by the Board on January 28, 2009.

“Fiscal Year” means the 12 months commencing on July 1st of any calendar year and ending on June 30th of the next succeeding year.


“Funds” means any or all of the Revenue Fund, Debt Service Fund, Reserve Fund, Additional Payment Fund, Rebate Fund and Repair and Replacement Fund described in Section 5.01 hereof.

“Gross Revenues” means (a) all income and revenues derived by the College from the Facilities; (b) all revenues derived from the Student Fees, exclusive of any Institutional Enterprise Facility Construction Fee, (c) all revenues accruing to the College from continuing education; and (e) such other income, fees and revenues as the Board hereafter determines, by resolution and without further consideration from the owners of the Bonds, to include in Gross Revenues, pursuant to law then in effect and not in conflict with the provisions and limitations of the Master Resolution or any Supplemental Resolution. The term Gross Revenues does not however, include (A) any Released Revenues in respect of which there have been filed with the Secretary of the Board the documents contemplated in the definition of “Released Revenues”; or (B) any general fund moneys appropriated by the State General Assembly or any moneys derived
from any general (ad valorem) tax levied against property by the State or any instrumentality thereof. Reference should be made to the definition of Capital Construction Debt Service Fee, College Service Fee, and other definitions of Student Fees herein for the expiration dates of Student Fees, if any.

“Improvements Project” means any project to construct, renovate, remodel, modify or otherwise acquire, equip or operate (or any combination thereof) facilities for the College, as authorized by State law and described by Supplemental Resolution.

“Independent Accountant” means any certified public accountant, or any firm of such accountants, licensed to practice under the laws of the State, selected by the Board or the State Auditor, as applicable, who is independent and who may be regularly retained to make annual or similar audits of any books or records of the College.

“Institutional Enterprise” means the College, as a whole, as designated as an “enterprise” by the Board under the provisions of the Institutional Enterprise Statute.

“Institutional Enterprise Facility Construction Fee” means any portion of the Capital Construction Debt Service Fee allocable to the construction or improvement of any building or facility at the College that is not part of the Facilities.

“Institutional Enterprise Revenue Bonds” means any bond or bonds or Commercial Paper Notes, as the case may be, authenticated and delivered under and pursuant to this Master Resolution, and secured by the pledge of Net Revenues as provided in Section 2.03(a) plus Tuition/FCF Revenues as provided in Section 2.03(b).

“Institutional Enterprise Revenues” means the Net Revenues plus Tuition Revenues.


“Insured Bank” means a bank which is a member of the Federal Deposit Insurance Corporation.

“Interest Payment Date” means any date on which interest is due and payable on any Bond, as specified by Supplemental Resolution.

“Issuing and Paying Agent” means the Person so designated in a Supplemental Resolution authorizing the issuance of any Commercial Paper Notes.

“Master Resolution” means this Master Bond Resolution, as it may be amended or supplemented from time-to-time by any Supplemental Resolution.

“Maturity Value” means the amount defined as such in a Supplemental Resolution for purposes of determining the amount payable to the owner of a Capital Appreciation Bond at the maturity of such Capital Appreciation Bond.

“Net Revenues” means the Gross Revenues less Operation and Maintenance Expenses.

“Institutional Enterprise Revenues” means the Net Revenues plus Tuition Revenues.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the College, paid or accrued, of operating, maintaining and repairing the Facilities, and shall include, without limiting the generality of the foregoing, legal and incidental expenses of the various departments within the College directly related and reasonably allocable to the administration of the Facilities, insurance premiums, the reasonable charges of any paying agent or depositary bank, contractual services, professional services required by this Master Resolution and the related Supplemental Resolutions, salaries and administrative expenses, labor, and all costs incurred by the Board in the collection of Gross Revenues, but shall not include any allowance for depreciation and other non-cash, non-accrual accounting adjustments, any internal charges for administrative overhead, any costs of reconstructions, improvements, extensions or betterments, any accumulation of reserves for capital replacements, any reserves for operation, maintenance or repair of any Facilities, any allowance for the redemption of any bond or other security evidencing a loan or the payment of any interest thereon, and any legal liability not based on contract.

“Other Credit Facility Obligations” means the payment obligations of the Board, other than interest and principal reimbursement obligations, under a Reimbursement Agreement or otherwise pursuant to any Credit Facility, including any interest, fees, costs, reasonable attorneys’ fees incurred in connection with any Credit Facility or Reimbursement Agreement, and any other similar amounts required to be paid by the Board pursuant to any such obligation.

“Outstanding” means, when used with reference to Bonds or Parity Obligations and as of any particular date, all such Bonds or Parity Obligations:

(a) except any Bonds or Parity Obligations canceled or delivered for cancellation by the Board, or on the Board’s behalf, at or before such date;

(b) except any Bonds or Parity Obligations deemed to have been paid, redeemed, purchased or defeased as provided in this Master Resolution, or any Supplemental Resolution or any Parity Obligation Instrument, as applicable, or as provided by law or any similar section of any resolution or other instrument authorizing such Bonds or Parity Obligations; and

(c) except any Bonds or Parity Obligations in lieu of or in substitution for which another Bond or Parity Obligation shall have been executed and delivered pursuant to this Master Resolution, any Supplemental Resolution or any Parity Obligation Instrument, as applicable.

“Parity Auxiliary Obligations” means any debt or financial obligations of the Board (other than the Bonds) that have a lien on the Net Revenues on a parity with the lien of a series of Bonds hereunder, as permitted by Section 7.02 hereof.

“Parity Institutional Obligations” means any debt or financial obligations of the Board (other than the Institutional Enterprise Revenue Bonds) that have a lien on the Institutional
Enterprise Revenues on a parity with the lien of a series of Institutional Enterprise Revenue Bonds hereunder, as permitted by Section 7.02 hereof.

“Parity Obligation Instruments” means the resolutions, indentures, contracts or other instruments pursuant to which Parity Obligations are issued or incurred.

“Parity Obligations” means, collectively, Parity Auxiliary Obligations and Parity Institutional Obligations.

“Paying Agent” means any bank or trust company or national or state banking association designated to make payment of the principal and Redemption Price of and interest on Bonds, and its successor or successors, hereafter appointed by Supplemental Resolution.

“Permitted Investments” means such investments as at the time are permitted by the laws of the State and the investment policies of the Board for the College and investments permitted by any Supplemental Resolution.

“Person” means natural persons, firms, associations, partnerships and public bodies.

“Qualified Counterparty” means any person entering into a Qualified Exchange Agreement with the Board which, at the time of the execution of the Qualified Exchange Agreement, satisfies any applicable requirements of State law, and its successors and assigns, or any substitute Qualified Counterparty, appointed or consented to from time-to-time by the Board or its authorized officers.

“Qualified Exchange Agreement” means any financial arrangement between the Board and a Qualified Counterparty relating to an exchange of interest rates, cash flows or payments (a) relating to any Bonds, in accordance with the laws of the State; or (b) as otherwise specifically authorized by the Board, in accordance with the laws of the State.

“Rating Agencies” means any of Moody’s, S&P or Fitch, then maintaining ratings on any of the Bonds at the request of the Board.

“Rebate Fund” means the “Rebate Fund,” described in Section 5.01 hereof, including all accounts created therein.

“Redemption Date” means the date upon which any Bonds are to be redeemed prior to their respective fixed maturities pursuant to the mandatory or optional redemption provisions of any Supplemental Resolution.

“Redemption Price” means, with respect to any Bond, an amount, including any applicable premium, payable upon the mandatory or optional redemption thereof, as provided in any Supplemental Resolution.

“Refunding Project” means any undertaking to refund, pay and discharge any Bonds or other securities or obligations.
“Registrar” means any bank or trust company or national or state banking association, designated to keep a register of the owners of Bonds and its successor or successors, hereafter appointed by Supplemental Resolution.

“Regular Record Date” means, as used with respect to any Interest Payment Date for any Bonds, the date designated in any Supplemental Resolution as the regular record date for the payment of interest on such Bonds, or if no Regular Record Date is so designated, the fifteenth day of the calendar month next preceding such Interest Payment Date in respect of such Bonds.

“Reimbursement Agreement” means any reimbursement or comparable agreement that may be entered into between the Board and a Credit Facility Provider in connection with any Credit Facility.

“Released Revenues” means revenues otherwise included in Gross Revenues in respect of which the following documents have been filed with the Secretary of the Board:

(a) a duly adopted Supplemental Resolution describing the revenues and any related Facilities to be excluded from the term Gross Revenues and authorizing the exclusion of such revenues from such term;

(b) a written certification by the Board Representative to the effect that Net Revenues in the two most recent completed Fiscal Years, after the revenues and any related Facilities covered by the Supplemental Resolution described in clause (a) above are excluded, were at least equal to the Average Annual Debt Service Requirements with respect to all Bonds that will remain Outstanding after the exclusion of such revenues and any related Facilities;

(c) an opinion of Bond Counsel to the effect that the exclusion of such revenues and any related Facilities from the definition of Gross Revenues and from the pledge and lien of this Master Resolution will not, in and of itself, cause the interest on any Outstanding Bonds to be included in gross income for purposes of federal income tax; and

(d) written confirmation from each of the Rating Agencies to the effect that the exclusion of such revenues and any related Facilities from the pledge and lien of this Master Resolution will not cause a withdrawal or reduction in any unenhanced rating then assigned to the Bonds.

Upon filing of such documents, the revenues and any related Facilities described in the Supplemental Resolution shall no longer be included in the computation of Gross Revenues and shall be excluded from the pledge and lien of this Master Resolution.

“Repair and Replacement Fund” means the “Repair and Replacement Fund” described in Section 5.01 hereof, including all accounts created therein.

“Reserve Fund” means the “Reserve Fund,” described in Section 5.01 hereof, including all accounts created therein.
“Revenue Fund” means the “Revenue Fund,” established in Section 5.01(a) hereof.


“Securities Depository” means DTC or any additional or other securities depository designated in a Supplemental Resolution, or (a) if the then Securities Depository resigns from its functions as depository of the Bonds; or (b) if the Board discontinues use of the Securities Depository, then any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Bonds and which is selected by the Board.

“Special Obligation Bonds” means the bonds payable from all or a portion of receipts derived from a Special Project as provided in Section 7.11 hereof.

“Special Project” means a future undertaking not financed on a common-fund basis, as provided in Section 7.11 hereof.

“Special Record Date” means a special date fixed to determine the names and addresses of owners of Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest, all as further provided in Section 3.10 hereof.

“State” means the State of Colorado.

“Student Fees” means the following mandatory fees assessed against students of the College, including any increases in such fees as may be implemented from time-to-time: (a) the Capital Construction Debt Service Fee; and (b) that portion of the College Service Fee attributable to the use and availability of certain of the Facilities.

“Subordinate Lien Obligations” means all bonds or other obligations hereafter issued or incurred payable from the Net Revenues or the Institutional Enterprise Revenues and issued with a lien on the Net Revenues or the Institutional Enterprise subordinate to the lien of the Bonds on Net Revenues and subordinate to the lien of the Institutional Enterprise Revenue Bonds on the Institutional Enterprise Revenues.

“Supplemental Public Securities Act” means Part 2, Article 57, Title 11, Colorado Revised Statutes, as amended.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Master Resolution, adopted by the Board in accordance with Article XI or XII hereof.

“Tuition Revenues” means (a) 10% of the tuition revenues of the College derived from charges to students for the provision of general instruction by the College, whether collected or accrued, and not including any general fund moneys appropriated by the general assembly of the State; and (b) any Institutional Enterprise Facility Construction Fee.

Section 1.02. Construction. This Master Resolution shall be construed as follows:
Section 1.03. Successors. All of the covenants, stipulations, obligations and agreements by or on behalf of and any other provisions for the benefit of the College or the Board set forth herein shall bind and inure to the benefit of any successors thereof and shall bind and inure to the benefit of any officer, board, district, commission, authority, agent, enterprise, or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power, or duty of the College or the Board or of their respective successors, if any, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements, or other provisions hereof.

Section 1.04. Parties Interested Herein. Except as otherwise expressly provided in this Master Resolution or in any Supplemental Resolution, nothing expressed or implied in this Master Resolution is intended or shall be construed to confer upon or to give to any Person, other than the College, the Board, the Paying Agent, the Registrar and the owners from time-to-time of the Bonds, any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements set forth herein by and on behalf of the College shall be for the sole and exclusive benefit of the College, the Board, the Paying Agent, the Registrar and the owners from time-to-time of the Bonds, except as otherwise provided in this Master Resolution or in any Supplemental Resolution.

Section 1.05. Ratification. All action heretofore taken (not inconsistent with the provisions of this Master Resolution) by the Board, the officers of the College, and otherwise by the Board directed toward the adoption of the Master Resolution and issuance of Bonds hereunder be, and the same hereby is, ratified, approved and confirmed.

Section 1.06. Board Representative. The Vice President for Finance and Administration, the Budget Director or the Controller of the College is hereby designated as Board Representative until further resolution of the Board or action by such Vice President for Finance and Administration of the College.

Section 1.07. Master Resolution Irrepealable. In consideration of the purchase and acceptance of any Bonds by those who shall own the same from time-to-time, this Master Resolution shall constitute an irrevocable contract between the Board and owners of any Bonds issued hereunder; and this Master Resolution shall be and remain irrepealable until the Bonds shall be fully paid, canceled and discharged except as herein otherwise provided.

Section 1.08. Repealer. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or part thereof, heretofore repealed.

Section 1.09. Severability. If any provision of this Master Resolution shall be held invalid or unenforceable, such holding shall not affect any other provisions hereof.
Section 1.10. Effective Date. This Master Resolution shall become effective immediately upon its passage.

ARTICLE II

AUTHORIZATION OF MASTER RESOLUTION; AUTHORIZATION OF PROJECTS; PLEDGE SECURING BONDS AND PARITY OBLIGATIONS AND LIMITATIONS THEREON

Section 2.01. Authority for Master Resolution. This Master Resolution is adopted by virtue of the plenary powers of the Board as a constitutionally established body corporate under Article VIII, Section 5 of the Constitution of the State and Sections 23-41-102 and 23-41-104, Colorado Revised Statutes, as amended, and under the particular authority of the Auxiliary Facilities Enterprise Act, the Institutional Enterprise Statute and the Supplemental Public Securities Act. The Board has determined and hereby declares the provisions of this Master Resolution are necessary to carry out the purposes of the Board in accordance with such powers and authority.

Section 2.02. Authorization of Projects. The Board may authorize by Supplemental Resolution any Improvements Project, Refunding Project, or combination thereof, and the issuance of Bonds for such purpose or purposes.

Section 2.03. Pledge Securing Bonds.

(a) Pledge of Net Revenues. In order to secure the payment of the principal, Maturity Value and Redemption Price of and interest on all Bonds and the comparable amounts with respect to Parity Obligations (as well as Exchange Termination Payments to the extent authorized in a Supplemental Resolution) as the same become due and payable (whether at maturity, by prior redemption, or otherwise) and the performance and observance of all of the covenants and conditions herein contained, the Net Revenues are hereby irrevocably pledged. The Board determines that the creation, perfection, enforcement and priority of the pledge of Net Revenues to secure or pay the Bonds and Parity Obligations (as well as Exchange Termination Payments to the extent authorized in a Supplemental Resolution) as provided in this Master Resolution shall be governed by Section 11-57-208, Colorado Revised Statutes, as amended. The pledge made by this Master Resolution shall be valid and binding from and after the date of the adoption hereof, and the Net Revenues, as received by the Board, and other moneys hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof, filing or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the Board, and the lien of this pledge shall be valid, binding and enforceable as against all parties having claims of any kind in tort, contract, or otherwise against the Board, irrespective of whether such parties have notice hereof.

(b) Pledge of Institutional Enterprise Revenues. In order to secure the payment of the principal, Maturity Value and Redemption Price of and interest on all Institutional Enterprise Revenue Bonds (and any Auxiliary Facilities Revenue Bonds
Outstanding that are deemed to convert to Institutional Enterprise Revenue Bonds when the College has been designated an Institutional Enterprise as described in Section 9.05 hereof) and the comparable amounts with respect to Parity Institutional Obligations (as well as Exchange Termination Payments to the extent authorized in a Supplemental Resolution) as the same become due and payable (whether at maturity, by prior redemption, or otherwise) and the performance and observance of all of the covenants and conditions herein contained, the Institutional Enterprise Revenues are hereby irrevocably pledged. The Board determines that the creation, perfection, enforcement and priority of the pledge of Institutional Enterprise Revenues to secure or pay such Institutional Enterprise Revenue Bonds and Parity Institutional Obligations (as well as Exchange Termination Payments to the extent authorized in a Supplemental Resolution) as provided in this Master Resolution shall be governed by Section 11-57-208, Colorado Revised Statutes, as amended. The pledge made by this Master Resolution shall be valid and binding from and after the date of the adoption hereof, and the Institutional Enterprise Revenues, as received by the Board, and other moneys hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof, filing or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the Board, and the lien of this pledge shall be valid, binding and enforceable as against all parties having claims of any kind in tort, contract, or otherwise against the Board, irrespective of whether such parties have notice hereof.

(c) **Priority of Application of the Tuition Revenues Portion of Institutional Enterprise Revenues.**

(i) As further set forth in Section 5.04 hereof, so long as there are both Auxiliary Facilities Revenue Bonds and Institutional Enterprise Revenue Bonds outstanding under the Master Resolution, the Tuition Revenues portion of Institutional Enterprise Revenues will first be applied to the payment of the principal of and interest and other payments due with respect to the Institutional Enterprise Revenue Bonds before any Net Revenues are applied to payments on such Institutional Enterprise Revenue Bonds, and this priority of application of Tuition Revenues with respect to Institutional Enterprise Revenue Bonds shall be considered for purposes of the issuance of additional Bonds as set forth in Section 7.03 hereof and for purposes of calculating the rate covenant set forth in Section 8.05 hereof.

(ii) As further set forth in Section 5.04 hereof, so long as there are only Institutional Enterprise Revenue Bonds outstanding under the Master Resolution, the College may apply the Net Revenue and the Tuition Revenue components of Institutional Enterprise Revenues to the payment of the principal of and interest and other payments due with respect to the Institutional Enterprise Revenue Bonds in any order the College determines.

(a) All Bonds and any additional Parity Obligations hereafter authorized and issued under this Master Resolution and at any time outstanding shall in all respects be equally and ratably secured by the Net Revenues hereunder, without preference, priority or distinction on account of the date or dates or the actual time or times of the issue or maturity of the Bonds, or any additional Parity Obligations, so that all Bonds and any additional Parity Obligations, at any time issued and outstanding hereunder shall have the same right, lien and preference on the Net Revenues under and by virtue of this Master Resolution, and shall all be equally and ratably secured thereby.

(b) All Institutional Enterprise Revenue Bonds and any additional Parity Institutional Obligations hereafter authorized and issued under this Master Resolution and at any time outstanding shall in all respects be equally and ratably secured by the Institutional Enterprise Revenues hereunder, without preference, priority or distinction on account of the date or dates or the actual time or times of the issue or maturity of the Institutional Enterprise Revenue Bonds, or any additional Parity Institutional Obligations, so that all Institutional Enterprise Revenue Bonds and any additional Parity Institutional Obligations, at any time issued and outstanding hereunder shall have the same right, lien and preference on the Institutional Enterprise Revenues under and by virtue of this Master Resolution, and shall all be equally and ratably secured thereby.

(c) No preference, priority or distinction shall be deemed to exist by reason of the issuance of any Capital Appreciation Bonds, Credit Enhanced Bonds or Bonds issued at a variable, adjustable, convertible or similar rate.

Section 2.05. Special Obligations. All Debt Service Requirements of the Bonds shall be payable and collectible solely out of the Net Revenues or Institutional Enterprise Revenues, as pledged. The owner or owners thereof may not look to any general or other fund for the payment of the principal of, premium, if any, or interest on the Bonds, except the herein-designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation and the Bonds shall not be considered or held to be general obligations of the Board or the College, but shall constitute the Board’s special obligations. No obligation created hereunder shall ever be or become a charge or debt against the State.

Section 2.06. Character of Agreement. None of the covenants, agreements, representations and warranties set forth herein or in the Bonds issued hereunder, in the absence of any breach thereof, shall ever impose or shall be construed as imposing any liability, obligation or charge against the Board (except the special funds pledged therefor) or its general credit, payable out of its general fund or out of any funds derived from taxation.

Section 2.07. No Pledge of Property. The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the College or the Board, except for the Net Revenues or Institutional Enterprise Revenues, as pledged and any other moneys herein or hereafter pledged for the payment of the Bonds.

Section 2.08. No Recourse Against Officers and Agents. No recourse shall be had for the payment of any Bonds or for any claim based thereon, or otherwise, upon any instruments of
the Board authorizing their issuance or otherwise relating thereto, against any individual member of the Board, or any officer, employee or other agent of the Board or the College, past, present or future, either directly or indirectly through the Board or the College, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty, or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

**ARTICLE III**

**AUTHORIZATION, ISSUANCE, REDEMPTION TERMS, EXECUTION AND FORM OF BONDS**

**Section 3.01. Authorization of Bonds Generally.**

(a) For purposes of advancing the welfare of and serving the best interests of the Board and the College, the Board may issue one or more series of Bonds for any Improvements Project, Refunding Project, or combination thereof. The aggregate principal amount of Bonds which may be executed, authenticated and delivered under this Master Resolution is not limited except as may be provided herein or in any Supplemental Resolution.

(b) The Bonds may, as provided in one or more Supplemental Resolutions, be issued in one or more series and shall bear such designation as the Board deems appropriate. The Bonds of each series shall be dated, shall mature, shall bear interest, if any, and shall otherwise be subject to such terms and conditions as are provided herein or by Supplemental Resolution.

(c) The Bonds shall be issued in such form as may be provided by Supplemental Resolution.

**Section 3.02. Conditions to Issuance.** Prior to or simultaneously with the delivery of the Bonds of any series, in addition to compliance with the applicable requirements set forth in Article VII hereof, the following conditions shall be satisfied:

(a) The Board shall have duly adopted a Supplemental Resolution authorizing such series of Bonds, which Supplemental Resolution shall be in full force and effect and shall specify:

(i) whether the Bonds of such series shall be Auxiliary Facilities Revenue Bonds or Institutional Enterprise Revenue Bonds and as such shall be issued pursuant to a pledge of Net Revenues or Institutional Enterprise Revenues, as applicable;

(ii) the authorized principal amount and series designation;

(iii) the maturity date or dates of the Bonds of such series;
(iv) the interest rate or rates, if any, or the manner of determining such interest rate or rates, on the Bonds of such series, which may be fixed, variable, adjustable, convertible or otherwise, and the Interest Payment Date or Dates thereof, or, with respect to Capital Appreciation Bonds, the Maturity Value, Accreted Value and Accretion Dates, or the manner of determining the same, for the Bonds of such series;

(v) the Authorized Denominations of and manner of dating and numbering the Bonds of such series;

(vi) the debt service reserve fund requirement, if any, with respect to such series of Bonds (or the method of determining the same) and any capitalized interest requirement (or the method of determining the same);

(vii) any Paying Agent, Registrar or other fiduciary required in respect of the Bonds of such series;

(viii) the Redemption Prices and optional and mandatory redemption terms, if any, for the Bonds of such series, and any optional or mandatory tender rights with respect to the Bonds of such series;

(ix) the form of Bonds of such series; and

(x) any other provisions deemed advisable by the Board and not in conflict with the provisions of this Master Resolution.

(b) The Board shall have received an opinion of Bond Counsel to the effect that the issuance of the Bonds has been duly authorized and that all conditions precedent to the delivery of the Bonds have been fulfilled.

(c) The Board shall have received such further opinions, certificates and instruments as are required by or pursuant to this Master Resolution or any Supplemental Resolution.

Section 3.03. Application of Bond Proceeds. The proceeds, including accrued interest and premium, if any, of the Bonds of each series, together with any other moneys provided by the Board, shall be applied in the manner provided in the Supplemental Resolution authorizing such series of Bonds.

Section 3.04. Optional Redemption of Bonds. All or any portion of the Bonds of any series may be subject to prior redemption, at the Board’s option, as the Board may determine by Supplemental Resolution.

Section 3.05. Mandatory Redemption of Bonds. All or any portion of the Bonds of any series may be subject to mandatory redemption, as the Board may determine by Supplemental Resolution. The principal amount of the Bonds required to be redeemed on any particular date shall be reduced in regular chronological order by an amount equal to the par value of any such Bonds that are redeemed at the Board’s option not less than 45 days prior to
the redemption date fixed for such mandatory sinking fund redemption. The remaining principal amount of Bonds shall be paid upon presentation and surrender at or after their final maturity unless otherwise sooner redeemed as provided in this Resolution.

Section 3.06. Method of Selecting Bonds in Case of Partial Redemption. In the event that less than all of the Bonds of any series shall be redeemed as provided in the applicable Supplemental Resolution, the Bonds redeemed shall be redeemed in such order of maturities as shall be specified by the Board. If less than all Bonds or portions thereof of a single maturity are to be redeemed, unless otherwise provided in the Supplemental Resolution, they shall be selected by lot in such manner as the Paying Agent may determine.

In particular, if less than all the Bonds of a particular maturity will be called for redemption, the particular Bonds or portions of Bonds to be redeemed will be selected by lot or other random method by the Paying Agent in such manner as provided by this Master Resolution; provided, however, that the portion of any Bonds to be redeemed will be in authorized denominations and that, in selecting Bonds for redemption, the Paying Agent will treat each Bond as representing that number of Bonds as is obtained by dividing the principal amount of such Bond by the minimum authorized denomination for such Bonds.

In the case of a Bond of a denomination larger than the applicable Authorized Denomination of Bonds of such series, such Bond may be redeemed only in principal amounts equal to any integral multiple of the minimum Authorized Denomination of such series of Bonds. In such a case, the Registrar shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof.

Section 3.07. Redemption Notice. Unless otherwise provided in the Supplemental Resolution, notice of prior redemption of Bonds shall be given by the Registrar in the name and on the behalf of the Board by first-class mail (or with respect to Bonds held by DTC by an express delivery service for delivery service for delivery on the next following Business Day), postage prepaid, at least 15 days but not more than 60 days prior to the redemption date, to the owner of any Bond all or a part of which is called for prior redemption at his/her address as it last appears on the registration records kept by the Registrar. Each notice of redemption will specify the Bonds or parts thereof to be redeemed, the date of issue and the maturity date thereof, if less than all of the Bonds of a maturity are called for redemption, the numbers of the and the CUSIP number assigned to the Bonds to be redeemed, the principal amount to be redeemed and the interest rate applicable to the Bonds to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, the Paying Agent’s name, that payment will be made upon presentation and surrender of the Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice (accrued interest to the redemption date being payable by mail or as otherwise provided in the applicable Supplemental Resolution), and that, after such redemption date, interest on such Bonds will cease to accrue. After such notice, the satisfaction of any conditions specified in the notice and presentation of said Bonds, the Bonds called for redemption will be paid.

Failure to give any required notice of redemption as to any particular Bond will not affect the validity of the call for redemption of any Bond in respect of which no failure occurs. Any notice sent as provided herein will be conclusively presumed to have been given whether or not
actually received by the addressee. When notice of redemption is given, Bonds called for redemption become due and payable on the redemption date at the redemption price. In the event that funds are deposited with the Paying Agent sufficient for redemption, interest on the Bonds to be redeemed will cease to accrue as of the redemption date.

The Board may provide that if at the time of mailing of notice of an optional redemption there shall not have been deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional and subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business five Business Days prior to the scheduled redemption date, and such notice will be of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit on the required date, then the redemption will be cancelled and on such cancellation date notice of such cancellation will be mailed to the holders of such Bonds, in the manner provided in the form of such Bonds.

Section 3.08. Effect of Redemption Call. On the date so designated for redemption, notice having been given in the manner and under the conditions provided in this Master Resolution and moneys for payment of the redemption price being held in trust to pay the redemption price, the Bonds so called for redemption will become and be due and payable on the respective redemption date, interest on the Bonds will cease to accrue from and after such redemption date, such Bonds will cease to be entitled to any lien, benefit or security under this Master Resolution and the owners of such Bonds will have no rights in respect thereof except to receive payment of the redemption price. Bonds which have been duly called for redemption and for the payment of the redemption price of which moneys will be held in trust for the holders of the respective Bonds to be redeemed, all as provided in the Supplemental Resolution will not be deemed to be Outstanding under the provisions of this Master Resolution

Section 3.09. Payment of Redeemed Bonds. Notice of redemption having been duly given, and action having been duly taken to provide for the payment of the Bonds, or designated portions thereof, so called for prior redemption, the Bonds, or designated portions thereof, so called for redemption shall become due and payable on the Redemption Date stated in such notice at the applicable Redemption Price, plus interest accrued to the Redemption Date; and upon presentation and surrender thereof, together with a written instrument of transfer duly executed by the owner or by his/her duly authorized attorney, such Bonds, or designated portions thereof, shall be paid.

If on the Redemption Date moneys for the redemption of all the Bonds, or designated portions thereof, to be redeemed, at the applicable Redemption Price, together with interest accrued to the Redemption Date, shall be held by the Paying Agent or a trust bank designated in the related Supplemental Resolution so as to be available therefor on such date, and if notice of redemption shall have been duly given as aforesaid, then from and after the Redemption Date, such Bonds, or designated portions thereof, shall cease to bear interest and shall no longer be considered Outstanding hereunder. All moneys held by the Paying Agent or a trust bank designated in the related Supplemental Resolution for the redemption of any Bonds, or designated portions thereof, shall be held in trust for the account of the owners thereof.
**Section 3.10. Form and Negotiability of Bonds.** The Bonds may be issued as Bonds registered as to principal and interest or as book-entry obligations, or in any other form as may be provided by Supplemental Resolution. The Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code—Investment Securities, and each owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code—Investment Securities.

**Section 3.11. Payment of Principal and Interest on Bonds.** The principal of, and any premium due in connection with, the Bonds shall be payable, unless otherwise provided in the Supplemental Resolution, at the principal office or offices of the Paying Agent, upon presentation and surrender of the Bonds. Payment of interest on any Bond shall be made to the owner thereof, unless otherwise provided in the Supplemental Resolution, by check or draft mailed by the Paying Agent to the owner at his/her address as it last appears on the registration books or records kept by the Registrar at the close of business on the Regular Record Date for such Interest Payment Date, but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the owner thereof at the close of business on a Regular Record Date and shall be payable to the person who is the owner on a Special Record Date for the payment of any such defaulted interest. Notice of the Special Record Date shall be given by first-class mail to owners of the Bonds as shown on the Registrar’s registration books or records on the date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to by the Paying Agent and the owner. All such payments shall be made in lawful money of the United States of America.

**Section 3.12. Registration, Transfer and Exchange of Bonds.**

(a) The Registrar for any Bonds shall be specified in the related Supplemental Resolution. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the registered owner or his/her attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same series and maturity of other Authorized Denominations. In the case of such an exchange, the Registrar shall authenticate and deliver a Bond or Bonds bearing a number or numbers not previously assigned. The Registrar shall require the payment by the owner of any Bond requesting exchange or transfer, of any tax or other governmental charge required to be paid with respect to such exchange or transfer and may charge a sum sufficient to pay the cost of preparing and authenticating each new Bond. No such charge shall be levied in the case of an exchange resulting from a redemption.

(b) Unless otherwise provided in a Supplemental Resolution, the Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing by the
Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for redemption as herein provided.

(c) The person in whose name any Bond shall be registered on the registration records kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of making payments thereof (except to the extent otherwise provided in any Supplemental Resolution with respect to interest payments) and for all other purposes; and payment of either principal of or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his/her legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the Board may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series and maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of redemption.

(e) Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar.

Section 3.13. Modification of Portions of Article III. Any Supplemental Resolution may modify or supplement the provisions of Sections 3.06 through 3.11 with respect to any series of Bonds.

Section 3.14. Book-Entry. Notwithstanding any other provision hereof, all or certain series of the Bonds may, at the option of the Board, be issued in the name of the nominee of a Securities Depository, as registered owner thereof, and immobilized in the custody of the Securities Depository (the “Book-Entry Bonds”). A single certificate for each maturity date of the Book-Entry Bonds will be issued and delivered to the Securities Depository for the total principal amount due on each maturity date of the Book-Entry Bonds. Beneficial owners of Book-Entry Bonds will not receive physical delivery of bond certificates except in the event that replacements are issued therefor as provided in a Supplemental Resolution. All subsequent transfers of ownership interests, after immobilization of the original Book-Entry Bond certificates as provided above, will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring Book-Entry Bonds is to receive, hold or deliver any Book-Entry Bond certificate as long as the Securities Depository or any successor depository holds the immobilized Book-Entry Bond certificates. Any officer of the Board is hereby authorized and directed to take any and all actions as may be necessary and not inconsistent with this Master Resolution in order to qualify the Book-Entry Bonds for a Securities Depository’s book-entry system, including the execution of a letter of representations, and payments to the
Securities Depository by the Paying Agent shall be made in accordance with such letter of
representations.

Section 3.15. Execution of Bonds. The Bonds shall be executed as follows:

(a) Manner of Execution. Each Bond shall be executed in the name of and
on behalf of the Board with the manual signature or the facsimile of the signature of the
Chair of the Board; shall be attested with the manual signature or the facsimile signature
of the Secretary or Treasurer of the Board; and shall be sealed with a facsimile of the
official seal of the College.

(b) Authentication. No Bond shall be valid or obligatory for any purpose
unless the certificate of authentication thereon has been executed with a manual signature
of a duly authorized officer or employee of the Registrar. The certificate of
authentication shall be deemed to have been duly executed if manually signed by an
authorized officer or employee of the Registrar, but it shall not be necessary that the same
person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 3.16. Use of Predecessor’s Signature. Bonds bearing the signatures of the
officers in office at the time of the signing thereof shall be the valid and binding obligations of
the Board, notwithstanding that before the delivery thereof and the payment therefor any or all of
the persons whose signatures appear thereon shall have ceased to fill their respective offices.
The Chair, Vice Chair, Secretary and the Treasurer of the Board may each adopt as and for his or
her own facsimile signature the facsimile signature of his or her predecessor in office if such
facsimile signature appears upon any of the Bonds.

Section 3.17. Bond Delivery. The Chair, Vice Chair, Secretary and Treasurer of the
Board are hereby authorized and directed to prepare and to execute the Bonds as provided herein
and in the related Supplemental Resolution. When Bonds have been duly executed and sold, the
Board shall deliver them to the purchaser thereof, on receipt of the purchase price therefor, all as
provided in the related Supplemental Resolution.

Section 3.18. Bond Form. The form of any Bond shall be as set forth in the related
Supplemental Resolution.

ARTICLE IV
USE OF BOND PROCEEDS

Section 4.01. Disposition of Bond Proceeds. Proceeds of Bonds, upon the receipt
thereof, shall be deposited promptly in an Insured Bank or Banks designated by the Board and
shall be accounted for and expended in the manner provided in the related Supplemental
Resolution. In the case of any series of Bonds which are issued in whole or in part for a
Refunding Project, the applicable portion of the proceeds of such Bonds shall be credited to and
deposited in an escrow fund or account created under the related Supplemental Resolution or
under a related escrow agreement. In the case of any series of Bonds which are issued in whole
or in part for an Improvement Project, the applicable portion of the proceeds of such Bonds shall
be credited to and deposited in a project fund or account created under the related Supplemental Resolution.

Section 4.02. Application of Improvement Project Moneys. Moneys credited from time-to-time to a project fund or account created under a Supplemental Resolution to pay costs of an Improvements Project shall be used, without requisition, voucher or other direction or further authority than is herein contained, to pay, or to reimburse the Board and the College for the payment of, costs of the related Improvement Project, as the same become due, all as further provided in the related Supplemental Resolution.

Section 4.03. Purchaser Not Responsible. The purchaser of any series of Bonds, any associate thereof, and any subsequent owner of any of such Bonds shall in no manner be responsible for the application or disposal by the Board or by any officer of the College or any other employee or agent of the Board or the College of the moneys derived from the sale of such Bonds or of any other moneys herein designated.

ARTICLE V
ADMINISTRATION OF AND ACCOUNTING FOR REVENUES

Section 5.01. Establishment of Revenue Fund, Debt Service Fund, Reserve Fund, Additional Payment Fund, Rebate Fund and Repair and Replacement Fund. There are hereby created and established by the Board the following separate funds and accounts: (a) the Revenue Fund (the “Revenue Fund”), and within the Revenue Fund, the System Revenue Account of the Revenue Fund (the “System Revenue Account”) and the Tuition Revenue Account of the Revenue Fund (the “Tuition Revenue Account”); (b) the Debt Service Fund (the “Debt Service Fund”); (c) the Reserve Fund (the “Reserve Fund”); (d) the Additional Payment Fund (the “Additional Payment Fund”) and within the Additional Payment Fund, the Commercial Paper Note Account (the “Commercial Paper Note Account”); (e) the Rebate Fund (the “Rebate Fund”) and (f) the Repair and Replacement Fund (the “Repair and Replacement Fund”).

Separate accounts and subaccounts within the Revenue Fund, the System Revenue Account, the Tuition Revenue Account, the Debt Service Fund, the Reserve Fund, the Additional Payment Fund, the Rebate Fund and the Repair and Replacement Fund may be created by Supplemental Resolution.

Section 5.02. Revenue Fund Deposits. All Gross Revenues shall be collected by the Board and credited daily, as far as practicable, into the System Revenue Account of the Revenue Fund, so long as any Bonds or Parity Obligations shall be Outstanding. All Tuition Revenues shall be collected by the Board and credited daily, as far as practicable, into the Tuition Revenue Account of the Revenue Fund, so long as any Institutional Enterprise Revenue Bonds or Parity Institutional Obligations shall be Outstanding.

Section 5.03. Administration of Revenue Fund for Auxiliary Facilities Revenue Bonds. So long as any of the Auxiliary Facilities Revenue Bonds shall be Outstanding, the following payments shall be made from the System Revenue Account of the Revenue Fund, as
provided in subsections (a) through (h) hereof, provided, however, that no Tuition Revenues on deposit in the Tuition Revenue Account of the Revenue Fund shall be used to make the payments set forth in subsections (a) through (h) hereof for Auxiliary Facilities Revenue Bonds.

(a)  **Operation and Maintenance Expenses.** Amounts in the System Revenue Account of the Revenue Fund shall first be used to pay, as they become due and payable, any Operation and Maintenance Expenses.

(b)  **Debt Service Fund.** After making the payments required by subsection (a) hereof, amounts on deposit in the Revenue Fund shall be paid or credited to the Debt Service Fund, on a pro rata basis if there is a deficiency in the amount of available Net Revenues, as follows:

   (i)  **Interest Account.** Prior to each Interest Payment Date, the amount necessary, together with any moneys therein and available therefor, to pay the next maturing installment of interest on each series of Outstanding Auxiliary Facilities Revenue Bonds shall be credited to the interest account for that series of Auxiliary Facilities Revenue Bonds.

   (ii) **Principal Account.** Prior to each principal payment date, the amount necessary, together with any moneys therein and available therefor, to pay the next regularly scheduled installment of principal, whether at maturity or on a mandatory sinking fund redemption date, on each series of Outstanding Auxiliary Facilities Revenue Bonds shall be credited to the principal account for that series of Auxiliary Facilities Revenue Bonds.

   Payments required by subsection (b)(i) and (b)(ii) to be made from the Revenue Fund to the interest account or principal account for any series of Auxiliary Facilities Revenue Bonds may be made more or less frequently for any series of Auxiliary Facilities Revenue Bonds if so provided in the related Supplemental Resolution.

   (iii) In the event that moneys available in any Commercial Paper Credit Facility Account are insufficient to make any payment of principal of or interest on any Commercial Paper Notes coming due, such deficiency shall be paid by transferring the necessary amounts from the Commercial Paper Note Interest Account and/or the Commercial Paper Note Principal Account, as appropriate. After payment of principal of or interest on any Commercial Paper Notes from amounts in any Commercial Paper Credit Facility Account representing drawings on the applicable Commercial Paper Credit Facility, amounts available in the Commercial Paper Note Principal Account and the Commercial Paper Note Interest Account shall be transferred to the applicable Commercial Paper Credit Facility Provider to pay Credit Facility Reimbursement Obligations due as a result of principal drawings and interest drawings, respectively, on the related Commercial Paper Credit Facility, to the extent such Commercial Paper Credit Facility Provider has not already been reimbursed for such amounts from proceeds of Commercial Paper Notes as provided in the related Supplemental
Resolution. If at any time the amount available in the Commercial Paper Note Interest Account or the Commercial Paper Note Principal Account exceeds the amounts required to pay interest on or principal of, as the case may be, Commercial Paper Notes coming due within the next 30 days, as determined by the Board, plus the amount of any Credit Facility Reimbursement Obligations then due, such excess amount in the Commercial Paper Note Interest Account or Commercial Paper Note Principal Account shall be transferred to the Commercial Paper Note Account of the Additional Payment Fund and applied as provided in subsection (e)(ii) hereof.

The money credited to the interest account and the principal account for each series of Auxiliary Facilities Revenue Bonds shall be used by the Board only to pay the Debt Service Requirements of the applicable Auxiliary Facilities Revenue Bonds as such Debt Service Requirements become due; except as otherwise provided herein with respect to payment of Credit Facility Reimbursement Obligations due to a Credit Facility Provider and amounts payable to any Qualified Counterparty under a Qualified Exchange Agreement. Moneys on deposit in the Debt Service Fund to be used to pay Debt Service Requirements on the Auxiliary Facilities Revenue Bonds shall be transferred from the Debt Service Fund to the applicable Paying Agent on or before the relevant due dates.

Additional accounts shall be established by the Board as part of the Debt Service Fund for the payment of each series of Auxiliary Facilities Revenue Bonds.

(iv) Payments and Reimbursements to Credit Facility Provider and Qualified Counterparty. The following amounts required to be paid by the Board shall be deposited in the applicable Auxiliary Facilities Revenue Bonds principal account and interest account or other sinking fund which shall be a subaccount of the applicable principal account or interest account and paid from Revenue Fund with the same priority as other payments of Debt Service Requirements on Auxiliary Facilities Revenue Bonds:

(A) amounts to pay or reimburse a Credit Facility Provider for payments of Debt Service Requirements on Auxiliary Facilities Revenue Bonds made by that Credit Facility Provider, including payments to any bond insurer for such payments on Auxiliary Facilities Revenue Bonds with proceeds of a municipal bond insurance policy and principal and interest amounts payable to a Credit Facility Provider in accordance with the provisions of the applicable Reimbursement Agreement; and

(B) amounts payable to any Qualified Counterparty under a Qualified Exchange Agreement if such payments are designated in a Supplemental Resolution or other instrument relating to that Qualified Exchange Agreement as having a lien on Net Revenues on a parity with the lien thereon of Auxiliary Facilities Revenue Bonds; provided that the
part of any interest payment to a Credit Facility Provider and to a Qualified Counterparty computed at a rate which exceeds the maximum bond interest rate for the related series of Auxiliary Facilities Revenue Bonds shall not be payable with the priority set forth in this clause but shall be payable with the priority set forth in subsection (e) hereof.

(c) Reserve Fund. The Board may establish, but is not required to establish, a reserve requirement with respect to any series of Auxiliary Facilities Revenue Bonds. A separate debt service reserve account (“Debt Service Reserve Account”) shall be created within the Reserve Fund for each separate series of Auxiliary Facilities Revenue Bonds for which there is a reserve requirement. The reserve requirement, if any, for a series of Auxiliary Facilities Revenue Bonds may be satisfied by a deposit of moneys or a Credit Facility, and any form of such deposit may be exchanged for any other permitted form of deposit of an equivalent amount; provided, however, (a) that obligations backed by the provider of a Credit Facility be rated at least “A2” by Moody’s and at least “A” by S&P; (b) that prior to expiration of a Credit Facility in any account, another Credit Facility of equivalent credit quality is provided, and, if such replacement Credit Facility is unavailable, the reserve requirement will be funded on a scheduled basis or at one time prior to expiration of the existing Credit Facility; (c) if the terms of a Credit Facility prohibit replenishment after draw-down, the Board shall provide an additional Credit Facility or sufficient funds to ensure satisfaction of the reserve requirement; and (d) if a Credit Facility permits premature termination without payment, the conditions for such premature termination will be limited to Board bankruptcy or default on any Auxiliary Facilities Revenue Bonds, or by an accumulation on a scheduled basis of Auxiliary Facilities Revenue Bond proceeds, investment earnings or other deposits from the Revenue Fund after the payments and deposits required by subsections (a) and (b) hereof have been made which will result in an amount equal to the reserve requirement for such series of Auxiliary Facilities Revenue Bonds being on deposit or available no later than the date of the last scheduled application of capitalized interest for such series of Auxiliary Facilities Revenue Bonds.

The moneys and the proceeds in each Debt Service Reserve Account shall be maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the Debt Service Requirements coming due on the Auxiliary Facilities Revenue Bonds for which such account was created resulting from the failure to timely deposit into the Debt Service Fund sufficient funds to pay such amounts as the same become due. Any moneys at any time in any Debt Service Reserve Account in excess of the applicable reserve fund requirement, including investment earnings derived from amounts on deposit in such Debt Service Reserve Account, may (and as may be necessary to comply with the covenants set forth in Section 6.04 hereof shall) be withdrawn therefrom and transferred to the applicable accounts in the Debt Service Fund.

On any required payment date of any outstanding Auxiliary Facilities Revenue Bonds, if there shall not be on deposit in the applicable Interest Account or Principal Account for such series of Auxiliary Facilities Revenue Bonds the full amount necessary to pay the Debt Service Requirements on such series of Auxiliary Facilities Revenue Bonds becoming due on such date, then an amount shall be transferred from the
applicable Debt Service Reserve Account, if any, on such date into the applicable Principal or Interest Account equal to the difference between the amount on deposit in such Interest Account or Principal Account and the full amount required. All money on deposit in the Debt Service Reserve Account for such series of Auxiliary Facilities Revenue Bonds shall be transferred prior to making a draw on a Credit Facility on deposit in the Debt Service Reserve Account. The amount transferred from any Debt Service Reserve Account or the amount of any deficiency existing in any Debt Service Reserve Account shall be reimbursed, replaced or reaccumulated in such Debt Service Reserve Account, no later than the end of the fifth full Fiscal Year following such transfer or the determination of such deficiency, or within such other period of time as set forth in the resolution or other instrument authorizing the issuance of the applicable series of Auxiliary Facilities Revenue Bonds, from amounts available therefor in the Revenue Fund after making the payments and deposits required by subsections (a) and (b) hereof.

(d) **Termination upon Deposits to Maturity.** No payment needs to be made into the principal account or interest account of the Debt Service Fund or the Debt Service Reserve Account of the Reserve Fund for a series of Auxiliary Facilities Revenue Bonds if, with respect to such series of Auxiliary Facilities Revenue Bonds, no amounts are owed with respect to prior payments of principal (whether at maturity or pursuant to mandatory sinking fund payment dates) of or interest on such series of Auxiliary Facilities Revenue Bonds, and the amounts on deposit for the payment of such Auxiliary Facilities Revenue Bonds in such accounts total a sum at least equal to all Debt Service Requirements of the outstanding Auxiliary Facilities Revenue Bonds of such series to their maturity or mandatory redemption dates, or to any date for which the Board shall have exercised or shall have obligated itself to exercise its option to redeem such Auxiliary Facilities Revenue Bonds prior to their maturity or mandatory redemption dates. In such event, moneys in the Debt Service Reserve Account of the Reserve Fund first and then in the interest account and principal account of the Debt Service Fund for the payment of such series of Auxiliary Facilities Revenue Bonds, in amounts equal to such Debt Service Requirements as they become due, shall be used solely to pay such Debt Service Requirements and any moneys in excess thereof for the payment of such series of Auxiliary Facilities Revenue Bonds in the Reserve Fund and Debt Service Fund may be used as provided in Section 5.05 hereof.

(e) **Payment of Interest, Fees, Expenses, Purchase Price, and Similar Amounts; Additional Payment Fund.**

(i) After making or crediting the payments and deposits required by subsections (a), (b), (c) and (d) hereof, amounts on deposit in the Revenue Fund shall be used as necessary, and as and to the extent specified by Supplemental Resolution to pay all amounts, including interest and Exchange Termination Payments and other amounts relating to Auxiliary Facilities Revenue Bonds, owed pursuant to any Credit Facility for a series of Auxiliary Facilities Revenue Bonds or relating to a Qualified Exchange Agreement and which are not payable pursuant to the terms of any preceding Section hereof. Net Revenues used to pay interest, Exchange Termination Payments, and other amounts pursuant to this Section with respect to any series of Auxiliary Facilities Revenue Bonds shall be
deposited by the Board into the applicable account of the Additional Payment Fund relating to such series of Auxiliary Facilities Revenue Bonds on or before the due date thereof. Payments due from the Board as a result of the early termination of any Qualified Exchange Agreement or which otherwise are not net periodic payments of the Board under any Qualified Exchange Agreement shall be Exchange Termination Payments payable from the Additional Payment Fund, and Net Revenues are irrevocably pledged to secure payment of any Exchange Termination Payments on a basis subordinate to the pledge securing the Auxiliary Facilities Revenue Bonds and any other Parity Auxiliary Obligations issued under the Master Resolution and on a basis senior to the pledge securing Subordinate Lien Obligations issued under the Master Resolution.

(ii) With respect to any Commercial Paper Notes, after making or crediting the payments and deposits required by subsections (a), (b), and (c) hereof, amounts on deposit in the Revenue Fund shall, during each month in which the Board is indebted to a Commercial Paper Credit Facility Provider under a Reimbursement Agreement, be deposited into the Commercial Paper Note Account of the Additional Payment Fund in an amount which, together with any moneys in such Commercial Paper Note Account available for such purpose will be sufficient to pay to the Commercial Paper Credit Facility Provider all Credit Facility Reimbursement Obligations and Other Credit Facility Obligations then due under such Reimbursement Agreement after any transfer to the Commercial Paper Credit Facility Provider of amounts from the Commercial Paper Note Interest Account and the Commercial Paper Note Principal Account of the Debt Service Fund as provided in subsection (b)(iii) hereof.

(f) Payment for Subordinate Lien Obligations. Subject to the payments required by subsections (a), (b), (c), (d) and (e) hereof and subject to the limitations set forth in Article VII hereof, any moneys remaining in the Revenue Fund may be used by the Board, as necessary, for the payment of the costs of issuing and the debt service requirements relating to any Subordinate Lien Obligations, to make rebate payments relating to Subordinate Lien Obligations, and to make deposits into any debt service reserve fund or account required to be made from Net Revenues in the manner set forth in the resolution or other instrument authorizing the issuance of the applicable Subordinate Lien Obligations.

(g) Rebate Fund.

(i) Control of Rebate Fund. The Rebate Fund shall be under the control of the Board and a separate rebate account shall be created in the Rebate Fund with respect to each series of Auxiliary Facilities Revenue Bonds to the extent required by the Supplemental Resolution or other instrument authorizing such series of Auxiliary Facilities Revenue Bonds. Amounts from available Net Revenues shall be deposited in the related rebate account and shall be expended in accordance with the provisions hereof and the provisions of the related Supplemental Resolution. The College shall make or cause to be made all requisite rebate calculations and deposit the resulting rebate amount into the
related rebate account. The College shall make or cause to be made disbursements from the related rebate account in accordance with the provisions of the related Supplemental Resolution and any tax certificate executed pursuant thereto. The College shall invest the amounts on deposit in the related rebate account and shall deposit income from said investments immediately upon receipt thereof in the related rebate account, all as set forth in the related Supplemental Resolution. The Board may request a designated agent to make the necessary rebate calculations based upon information furnished by the College and, upon advice as to the rebate amount, cause the College to deposit the same into the related rebate account.

(ii) *Rebate Deposits*. The Board, through its designated officers, shall make the rebate deposits and computations with respect to a series of Auxiliary Facilities Revenue Bonds as described in the related Supplemental Resolution. If a withdrawal from the related rebate account or any applicable subaccounts therein is permitted as a result of such computations, the amount withdrawn may be used by the Board for any lawful purpose. Records of the determinations required by this subsection (g) and the related Supplemental Resolution must be retained by the Board until six years after the final retirement of the related series of Auxiliary Facilities Revenue Bonds.

(iii) *Rebate Disbursements*. The Board, through its designated officers, shall make payments to the United States, from the moneys on deposit in the related rebate account or any applicable subaccounts therein, at the times and in the amounts specified in the related Supplemental Resolution. No later than 60 days after the final retirement of the related series of Auxiliary Facilities Revenue Bonds, the Board, through its designated officers, shall pay to the United States the balance of any payments required from the related rebate account or any applicable subaccounts therein which shall remain in existence for such period of time as is necessary for such final payment to be made. Each payment shall be accompanied by a copy of an Internal Revenue Form 8038-T (or such comparable form as may be required at the time) with respect to the Auxiliary Facilities Revenue Bonds, and a statement summarizing the determination of the amount to be paid to the United States. The Board reserves the right, in all events, to pursue such remedies and procedures as are available to it in order to assert any claim of over-payment of any rebated amounts.

(h) *Repair and Replacement Fund*. The Board may establish, but is not required to establish, a repair and replacement requirement with respect to any series or subseries of Auxiliary Facilities Revenue Bonds. A separate repair and replacement account ("Repair and Replacement Account") shall be created within the Repair and Replacement Fund for each separate series of Auxiliary Facilities Revenue Bonds for which there is a repair and replacement requirement as provided in the related Supplemental Resolution for each series of Auxiliary Facilities Revenue Bonds.

The repair and replacement requirement, if any, for a series of Auxiliary Facilities Revenue Bonds may be satisfied by a deposit of moneys or by an accumulation on a
scheduled basis of Auxiliary Facilities Revenue Bond proceeds, investment earnings or other deposits from the Revenue Fund after the payments hereinabove required to be made by subsections (a) through (g) hereof, which will result in an amount equal to the repair and replacement requirement for such series of Auxiliary Facilities Revenue Bonds being on deposit or available no later than the date so provided in the related Supplemental Resolution for such series of Auxiliary Facilities Revenue Bonds.

The moneys and the proceeds in each Repair and Replacement Account shall be maintained as a continuing fund for each separate series of Auxiliary Facilities Revenue Bonds to be used as provided in the related Supplemental Resolution for such series of Auxiliary Facilities Revenue Bonds. Any moneys at any time in any Repair and Replacement Account in excess of the applicable repair and replacement fund requirement, including investment earnings derived from amounts on deposit in such Repair and Replacement Account, may be withdrawn therefrom to pay any revenue bonds or other obligations payable from the Revenue Fund, including but not necessarily limited to the related series of Auxiliary Facilities Revenue Bonds, if such payment is necessary to prevent any default in the payment of such obligations, or otherwise.

**Section 5.04. Administration of Revenue Fund for Institutional Enterprise Revenue Bonds.** So long as there are both Institutional Enterprise Revenue Bonds and Auxiliary Facilities Enterprise Revenue Bonds Outstanding under this Master Resolution, the following payments for Institutional Enterprise Revenue Bonds (other than the payment described in subsection (a) hereof) shall be made first from the Tuition Revenue Account of the Revenue Fund and next from the System Revenue Account of the Revenue Fund, as provided in subsections (b) through (h) hereof. So long as there are only Institutional Enterprise Revenue Bonds outstanding under the Master Resolution, the College may apply amounts in the System Revenue Account of the Revenue Fund and the Tuition Revenue Account of the Revenue Fund to the payments set forth in subsections (b) through (h) hereof in any order of priority that the College determines. Any amounts paid from the System Revenue Account of the Revenue Fund for Institutional Enterprise Revenue Bonds as set forth in subsections (a) through (h) below shall be made concurrently with and on a pro-rata parity basis with the payments set forth in Section 5.03 (a) through (h) hereof for Auxiliary Facilities Revenue Bonds.

(a) **Operation and Maintenance Expenses.** Amounts in the System Revenue Account of the Revenue Fund shall first be used to pay, as they become due and payable, any Operation and Maintenance Expenses.

(b) **Debt Service Fund.** After making the payments required by subsection (a) hereof, amounts on deposit in the Revenue Fund shall be paid or credited to the Debt Service Fund, on a pro rata basis if there is a deficiency in the amount of available Net Revenues, as follows:

(i) **Interest Account.** Prior to each Interest Payment Date, the amount necessary, together with any moneys therein and available therefor, to pay the next maturing installment of interest on each series of Outstanding Institutional Enterprise Revenue Bonds shall be credited to the interest account for that series of Institutional Enterprise Revenue Bonds.
(ii) **Principal Account.** Prior to each principal payment date, the amount necessary, together with any moneys therein and available therefor, to pay the next regularly scheduled installment of principal, whether at maturity or on a mandatory sinking fund redemption date, on each series of Outstanding Institutional Enterprise Revenue Bonds shall be credited to the principal account for that series of Institutional Enterprise Revenue Bonds.

Payments required by subsection (b)(i) and (b)(ii) to be made from the Revenue Fund to the interest account or principal account for any series of Institutional Enterprise Revenue Bonds may be made more or less frequently for any series of Institutional Enterprise Revenue Bonds if so provided in the related Supplemental Resolution.

(iii) In the event that moneys available in any Commercial Paper Credit Facility Account are insufficient to make any payment of principal of or interest on any Commercial Paper Notes coming due, such deficiency shall be paid by transferring the necessary amounts from the Commercial Paper Note Interest Account and/or the Commercial Paper Note Principal Account, as appropriate. After payment of principal of or interest on any Commercial Paper Notes from amounts in any Commercial Paper Credit Facility Account representing drawings on the applicable Commercial Paper Credit Facility, amounts available in the Commercial Paper Note Principal Account and the Commercial Paper Note Interest Account shall be transferred to the applicable Commercial Paper Credit Facility Provider to pay Credit Facility Reimbursement Obligations due as a result of principal drawings and interest drawings, respectively, on the related Commercial Paper Credit Facility, to the extent such Commercial Paper Credit Facility Provider has not already been reimbursed for such amounts from proceeds of Commercial Paper Notes as provided in the related Supplemental Resolution. If at any time the amount available in the Commercial Paper Note Interest Account or the Commercial Paper Note Principal Account exceeds the amounts required to pay interest on or principal of, as the case may be, Commercial Paper Notes coming due within the next 30 days, as determined by the Board, plus the amount of any Credit Facility Reimbursement Obligations then due, such excess amount in the Commercial Paper Note Interest Account or Commercial Paper Note Principal Account shall be transferred to the Commercial Paper Note Account of the Additional Payment Fund and applied as provided in subsection (e)(ii) hereof.

The money credited to the interest account and the principal account for each series of Institutional Enterprise Revenue Bonds shall be used by the Board only to pay the Debt Service Requirements of the applicable Institutional Enterprise Revenue Bonds as such Debt Service Requirements become due; except as otherwise provided herein with respect to payment of Credit Facility Reimbursement Obligations due to a Credit Facility Provider and amounts payable to any Qualified Counterparty under a Qualified Exchange Agreement. Moneys on deposit in the Debt Service Fund to be used to pay Debt Service Requirements on the Institutional Enterprise Revenue Bonds shall be transferred
from the Debt Service Fund to the applicable Paying Agent on or before the relevant due dates.

Additional accounts shall be established by the Board as part of the Debt Service Fund for the payment of each series of Institutional Enterprise Revenue Bonds.

(iv) **Payments and Reimbursements to Credit Facility Provider and Qualified Counterparty.** The following amounts required to be paid by the Board shall be deposited in the applicable Institutional Enterprise Revenue Bonds principal account and interest account or other sinking fund which shall be a subaccount of the applicable principal account or interest account and paid from Revenue Fund with the same priority as other payments of Debt Service Requirements on Institutional Enterprise Revenue Bonds:

(A) amounts to pay or reimburse a Credit Facility Provider for payments of Debt Service Requirements on Institutional Enterprise Revenue Bonds made by that Credit Facility Provider, including payments to any bond insurer for such payments on Institutional Enterprise Revenue Bonds with proceeds of a municipal bond insurance policy and principal and interest amounts payable to a Credit Facility Provider in accordance with the provisions of the applicable Reimbursement Agreement; and

(B) amounts payable to any Qualified Counterparty under a Qualified Exchange Agreement if such payments are designated in a Supplemental Resolution or other instrument relating to that Qualified Exchange Agreement as having a lien on Net Revenues on a parity with the lien thereon of Institutional Enterprise Revenue Bonds; provided that the part of any interest payment to a Credit Facility Provider and to a Qualified Counterparty computed at a rate which exceeds the maximum bond interest rate for the related series of Institutional Enterprise Revenue Bonds shall not be payable with the priority set forth in this clause but shall be payable with the priority set forth in subsection (e) hereof.

(c) **Reserve Fund.** The Board may establish, but is not required to establish, a reserve requirement with respect to any series of Institutional Enterprise Revenue Bonds. A separate debt service reserve account (“Debt Service Reserve Account”) shall be created within the Reserve Fund for each separate series of Institutional Enterprise Revenue Bonds for which there is a reserve requirement. The reserve requirement, if any, for a series of Institutional Enterprise Revenue Bonds may be satisfied by a deposit of moneys or a Credit Facility, and any form of such deposit may be exchanged for any other permitted form of deposit of an equivalent amount; provided, however, (a) that obligations backed by the provider of a Credit Facility be rated at least “A2” by Moody’s and at least “A” by S&P; (b) that prior to expiration of a Credit Facility in any account, another Credit Facility of equivalent credit quality is provided, and, if such replacement Credit Facility is unavailable, the reserve requirement will be funded on a scheduled basis or at one time prior to expiration of the existing Credit Facility; (c) if the terms of a
Credit Facility prohibit replenishment after draw-down, the Board shall provide an additional Credit Facility or sufficient funds to ensure satisfaction of the reserve requirement; and (d) if a Credit Facility permits premature termination without payment, the conditions for such premature termination will be limited to Board bankruptcy or default on any Institutional Enterprise Revenue Bonds, or by an accumulation on a scheduled basis of Institutional Enterprise Revenue Bond proceeds, investment earnings or other deposits from the Revenue Fund after the payments and deposits required by subsections (a) and (b) hereof have been made which will result in an amount equal to the reserve requirement for such series of Institutional Enterprise Revenue Bonds being on deposit or available no later than the date of the last scheduled application of capitalized interest for such series of Institutional Enterprise Revenue Bonds.

The moneys and the proceeds in each Debt Service Reserve Account shall be maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the Debt Service Requirements coming due on the Institutional Enterprise Revenue Bonds for which such account was created resulting from the failure to timely deposit into the Debt Service Fund sufficient funds to pay such amounts as the same become due. Any moneys at any time in any Debt Service Reserve Account in excess of the applicable reserve fund requirement, including investment earnings derived from amounts on deposit in such Debt Service Reserve Account, may (and as may be necessary to comply with the covenants set forth in Section 6.04 hereof shall) be withdrawn therefrom and transferred to the applicable accounts in the Debt Service Fund.

On any required payment date of any outstanding Institutional Enterprise Revenue Bonds, if there shall not be on deposit in the applicable Interest Account or Principal Account for such series of Institutional Enterprise Revenue Bonds the full amount necessary to pay the Debt Service Requirements on such series of Institutional Enterprise Revenue Bonds becoming due on such date, then an amount shall be transferred from the applicable Debt Service Reserve Account, if any, on such date into the applicable Principal or Interest Account equal to the difference between the amount on deposit in such Interest Account or Principal Account and the full amount required. All money on deposit in the Debt Service Reserve Account for such series of Institutional Enterprise Revenue Bonds shall be transferred prior to making a draw on a Credit Facility on deposit in the Debt Service Reserve Account. The amount transferred from any Debt Service Reserve Account or the amount of any deficiency existing in any Debt Service Reserve Account shall be reimbursed, replaced or reaccumulated in such Debt Service Reserve Account, no later than the end of the fifth full Fiscal Year following such transfer or the determination of such deficiency, or within such other period of time as set forth in the resolution or other instrument authorizing the issuance of the applicable series of Institutional Enterprise Revenue Bonds, from amounts available therefor in the Revenue Fund after making the payments and deposits required by subsections (a) and (b) hereof.

(d) **Termination upon Deposits to Maturity.** No payment needs to be made into the principal account or interest account of the Debt Service Fund or the Debt Service Reserve Account of the Reserve Fund for a series of Institutional Enterprise Revenue Bonds if, with respect to such series of Institutional Enterprise Revenue Bonds,
no amounts are owed with respect to prior payments of principal (whether at maturity or pursuant to mandatory sinking fund payment dates) of or interest on such series of Institutional Enterprise Revenue Bonds, and the amounts on deposit for the payment of such Institutional Enterprise Revenue Bonds in such accounts total a sum at least equal to all Debt Service Requirements of the outstanding Institutional Enterprise Revenue Bonds of such series to their maturity or mandatory redemption dates, or to any date for which the Board shall have exercised or shall have obligated itself to exercise its option to redeem such Institutional Enterprise Revenue Bonds prior to their maturity or mandatory redemption dates. In such event, moneys in the Debt Service Reserve Account of the Reserve Fund first and then in the interest account and principal account of the Debt Service Fund for the payment of such series of Institutional Enterprise Revenue Bonds, in amounts equal to such Debt Service Requirements as they become due, shall be used solely to pay such Debt Service Requirements and any moneys in excess thereof for the payment of such series of Institutional Enterprise Revenue Bonds in the Reserve Fund and Debt Service Fund may be used as provided in Section 5.05 hereof.

(e) Payment of Interest, Fees, Expenses, Purchase Price, and Similar Amounts; Additional Payment Fund.

(i) After making or crediting the payments and deposits required by subsections (a), (b), (c) and (d) hereof, amounts on deposit in the Revenue Fund shall be used as necessary, and as and to the extent specified by Supplemental Resolution to pay all amounts, including interest and Exchange Termination Payments and other amounts relating to Institutional Enterprise Revenue Bonds, owed pursuant to any Credit Facility for a series of Institutional Enterprise Revenue Bonds or relating to a Qualified Exchange Agreement and which are not payable pursuant to the terms of any preceding Section hereof. Net Revenues used to pay interest, Exchange Termination Payments, and other amounts pursuant to this Section with respect to any series of Institutional Enterprise Revenue Bonds shall be deposited by the Board into the applicable account of the Additional Payment Fund relating to such series of Institutional Enterprise Revenue Bonds on or before the due date thereof. Payments due from the Board as a result of the early termination of any Qualified Exchange Agreement or which otherwise are not net periodic payments of the Board under any Qualified Exchange Agreement shall be Exchange Termination Payments payable from the Additional Payment Fund, and Net Revenues are irrevocably pledged to secure payment of any Exchange Termination Payments on a basis subordinate to the pledge securing the Institutional Enterprise Revenue Bonds and any other Parity Auxiliary Obligations issued under the Master Resolution and on a basis senior to the pledge securing Subordinate Lien Obligations issued under the Master Resolution.

(ii) With respect to any Commercial Paper Notes, after making or crediting the payments and deposits required by subsections (a), (b), and (c) hereof, amounts on deposit in the Revenue Fund shall, during each month in which the Board is indebted to a Commercial Paper Credit Facility Provider under a Reimbursement Agreement, be deposited into the Commercial Paper Note
Account of the Additional Payment Fund in an amount which, together with any moneys in such Commercial Paper Note Account available for such purpose will be sufficient to pay to the Commercial Paper Credit Facility Provider all Credit Facility Reimbursement Obligations and Other Credit Facility Obligations then due under such Reimbursement Agreement after any transfer to the Commercial Paper Credit Facility Provider of amounts from the Commercial Paper Note Interest Account and the Commercial Paper Note Principal Account of the Debt Service Fund as provided in subsection (b)(iii) hereof.

(f) **Payment for Subordinate Lien Obligations.** Subject to the payments required by subsections (a), (b), (c), (d) and (e) hereof and subject to the limitations set forth in Article VII hereof, any moneys remaining in the Revenue Fund may be used by the Board, as necessary, for the payment of the costs of issuing and the debt service requirements relating to any Subordinate Lien Obligations, to make rebate payments relating to Subordinate Lien Obligations, and to make deposits into any debt service reserve fund or account required to be made from Net Revenues in the manner set forth in the resolution or other instrument authorizing the issuance of the applicable Subordinate Lien Obligations.

(g) **Rebate Fund.**

(i) **Control of Rebate Fund.** The Rebate Fund shall be under the control of the Board and a separate rebate account shall be created in the Rebate Fund with respect to each series of Institutional Enterprise Revenue Bonds to the extent required by the Supplemental Resolution or other instrument authorizing such series of Institutional Enterprise Revenue Bonds. Amounts from available Net Revenues shall be deposited in the related rebate account and shall be expended in accordance with the provisions hereof and the provisions of the related Supplemental Resolution. The College shall make or cause to be made all requisite rebate calculations and deposit the resulting rebate amount into the related rebate account. The College shall make or cause to be made disbursements from the related rebate account in accordance with the provisions of the related Supplemental Resolution and any tax certificate executed pursuant thereto. The College shall invest the amounts on deposit in the related rebate account and shall deposit income from said investments immediately upon receipt thereof in the related rebate account, all as set forth in the related Supplemental Resolution. The Board may request a designated agent to make the necessary rebate calculations based upon information furnished by the College and, upon advice as to the rebate amount, cause the College to deposit the same into the related rebate account.

(ii) **Rebate Deposits.** The Board, through its designated officers, shall make the rebate deposits and computations with respect to a series of Institutional Enterprise Revenue Bonds as described in the related Supplemental Resolution. If a withdrawal from the related rebate account or any applicable subaccounts therein is permitted as a result of such computations, the amount withdrawn may be used by the Board for any lawful purpose. Records of the determinations
required by this subsection (g) and the related Supplemental Resolution must be retained by the Board until six years after the final retirement of the related series of Institutional Enterprise Revenue Bonds.

(iii) Rebate Disbursements. The Board, through its designated officers, shall make payments to the United States, from the moneys on deposit in the related rebate account or any applicable subaccounts therein, at the times and in the amounts specified in the related Supplemental Resolution. No later than 60 days after the final retirement of the related series of Institutional Enterprise Revenue Bonds, the Board, through its designated officers, shall pay to the United States the balance of any payments required from the related rebate account or any applicable subaccounts therein which shall remain in existence for such period of time as is necessary for such final payment to be made. Each payment shall be accompanied by a copy of an Internal Revenue Form 8038-T (or such comparable form as may be required at the time) with respect to the Institutional Enterprise Revenue Bonds, and a statement summarizing the determination of the amount to be paid to the United States. The Board reserves the right, in all events, to pursue such remedies and procedures as are available to it in order to assert any claim of over-payment of any rebated amounts.

(h) Repair and Replacement Fund. The Board may establish, but is not required to establish, a repair and replacement requirement with respect to any series or subseries of Institutional Enterprise Revenue Bonds. A separate repair and replacement account (“Repair and Replacement Account”) shall be created within the Repair and Replacement Fund for each separate series of Institutional Enterprise Revenue Bonds for which there is a repair and replacement requirement as provided in the related Supplemental Resolution for each series of Institutional Enterprise Revenue Bonds.

The repair and replacement requirement, if any, for a series of Institutional Enterprise Revenue Bonds may be satisfied by a deposit of moneys or by an accumulation on a scheduled basis of Institutional Enterprise Revenue Bond proceeds, investment earnings or other deposits from the Revenue Fund after the payments hereinabove required to be made by subsections (a) through (g) hereof, which will result in an amount equal to the repair and replacement requirement for such series of Institutional Enterprise Revenue Bonds being on deposit or available no later than the date so provided in the related Supplemental Resolution for such series of Institutional Enterprise Revenue Bonds.

The moneys and the proceeds in each Repair and Replacement Account shall be maintained as a continuing fund for each separate series of Institutional Enterprise Revenue Bonds to be used as provided in the related Supplemental Resolution for such series of Institutional Enterprise Revenue Bonds. Any moneys at any time in any Repair and Replacement Account in excess of the applicable repair and replacement fund requirement, including investment earnings derived from amounts on deposit in such Repair and Replacement Account, may be withdrawn therefrom to pay any revenue bonds or other obligations payable from the Revenue Fund, including but not necessarily
limited to the related series of Institutional Enterprise Revenue Bonds, if such payment is necessary to prevent any default in the payment of such obligations, or otherwise.

**Section 5.05. Use of Remaining Revenues.** After making the payments hereinabove required to be made by Sections 5.03 and 5.04 hereof, as applicable, any remaining Net Revenues in the System Account of the Revenue Fund and any remaining Tuition Revenues in the Tuition Account of the Revenue Fund may be used for any one or any combination of lawful purposes, as the Board may from time-to-time determine. Such purposes may include, without limiting the generality of the foregoing, the purchase of any Outstanding Auxiliary Facilities Revenue Bonds or any Institutional Enterprise Revenue Bonds, as applicable, in the open market.

**ARTICLE VI**

**GENERAL ADMINISTRATION**

**Section 6.01. General Administration of Funds.** The Funds and accounts as set forth in Article V of this Master Resolution shall be administered as provided in this Article VI.

**Section 6.02. Places and Times of Deposits.** The Funds and accounts shall be separately accounted for as trust accounts for the purposes established and shall be deposited, maintained and continuously secured to the extent required by law. Each periodic payment shall be made into the proper Fund and account not later than the date therefor herein designated, except that when any such date shall be a Sunday or a legal holiday, then such payment shall be made on or before the next preceding business day. Notwithstanding any other provision to the contrary in this Master Resolution, and subject to the provisions of the related Supplemental Resolution, moneys shall be deposited with the Paying Agent no later than the time required for payment on the applicable Interest Payment Date for the related series of Bonds in an amount sufficient to pay the interest and any principal and premium then becoming due on such Bonds.

**Section 6.03. Investment of Moneys.** Any moneys in any Fund or account not needed for immediate use, may be invested by the Board in Permitted Investments to the extent permitted by the investment policies of the Board and the laws of the State, including, without limitation, Part 6 of Article 75 of Title 24, Colorado Revised Statutes, as amended from time-to-time. Such investments shall be deemed to be a part of said Fund or account, and any loss shall be charged thereto. Any profit from investments of moneys in the applicable accounts of the Reserve Fund and the Rebate Fund shall be credited thereto as the same is received. Any profits from investments of moneys in any other Funds or accounts shall be used for any one or any combination of lawful purposes as the Board may from time-to-time determine. In computing the amount in any such Fund or account for any purpose hereunder, except as otherwise expressly provided herein, such obligation shall be valued at the cost thereof, exclusive of the accrued interest or other gain; provided however, that any obligation purchased at a premium may initially be valued at the cost thereof, but in each year after such purchase shall be valued at a lesser amount determined by ratably amortizing the premium over the remaining term of the obligation. All expenses incidental to any investment or reinvestment of moneys pursuant hereto shall be accounted for as Operation and Maintenance Expenses. Nothing herein shall prevent the commingling of moneys accounted for in any Fund or account.
created under this Master Resolution or any Supplemental Resolution and any other moneys of
the Board for purposes of investment. The Board shall present for redemption or sale on the
prevailing market at the best price obtainable any investments in any Fund or account whenever
it shall be necessary to do so in order to provide moneys to meet any withdrawal, payment, or
transfer from such Fund or account. The Board shall not be liable for any loss resulting from any
such investment made in accordance with this Master Resolution or any Supplemental
Resolution.

Section 6.04. Tax Covenant. The Board hereby covenants for the benefit of each owner
of Bonds from time-to-time that it shall not (a) make any use of the proceeds of any Bonds, any
fund reasonably expected to be used to pay the principal of or interest on any Bonds, or any other
funds of the Board; (b) make any use of any Facilities; or (c) take (or omit to take) any other
action with respect to any Bonds, the proceeds thereof, or otherwise, if such use, action or
omission would under the Code cause the interest on any Bonds to be included in gross income
for federal income tax purposes or be treated as an item of tax preference for purposes of the
federal alternative minimum tax imposed on individuals, trusts, estates and corporations (except,
with respect to corporations, as such interest is required to be taken into account in determining
adjusted current earnings for the purpose of computing the alternative minimum tax imposed on
such corporations).

In particular, the Board hereby covenants for the benefit of each owner of any Bonds
from time-to-time that it shall not take (or omit to take) or permit or suffer any action to be taken
if the result of the same would cause the Bonds to be (a) “arbitrage bonds” within the meaning of
Section 148 of the Code, including for such purposes, to the extent applicable, the rebate
requirements of Section 148(f) of the Code; or (b) “private activity bonds” within the meaning of
Section 141 of the Code. Such covenants of the Board shall survive the payment of the Bonds of
a series until all rebate requirements related to the Bonds of such series have been satisfied. The
officers of the Board are hereby authorized to execute a tax certificate and any confirming
certificates as provided in Sections 5.03(g) and 5.04(g) hereof in implementation of the
foregoing covenants, and the representations, agreements, and additional covenants set forth
therein shall be deemed the representations, agreements, and covenants of the Board, as if the
same were set forth herein. The covenants set forth in this Section shall not apply to any series
of Bonds if, at the time of issuance, the Board intends the interest on such series of Bonds to be
subject to federal income tax.

ARTICLE VII

BOND LIENS AND ADDITIONAL SECURITIES

Section 7.01. Equality of Bonds.

(a) The Bonds to be issued in conformity with this Master Resolution, and
from time-to-time Outstanding are equally and ratably secured by a lien on the Net
Revenues and shall not be entitled to any priority one over the other in the application of
the Net Revenues regardless of the time or times of the issuance of the Bonds, it being the
intention of the Board that there shall be no priority among the Bonds regardless of the
fact that they may be actually issued and delivered at different times; provided that
nothing herein shall be construed to preclude the creation of a separate reserve fund or funds or the obtaining of separate surety bonds, insurance policies, or other credit facilities for subsequent issues of Bonds which may or may not be pledged toward the payment of each series of Bonds.

(b) Institutional Enterprise Revenue Bonds to be issued in conformity with this Master Resolution, and from time-to-time Outstanding are equally and ratably secured by a lien on the Institutional Enterprise Revenues and shall not be entitled to any priority one over the other in the application of the Institutional Enterprise Revenues regardless of the time or times of the issuance of the Institutional Enterprise Revenue Bonds, it being the intention of the Board that there shall be no priority among the Institutional Enterprise Revenue Bonds regardless of the fact that they may be actually issued and delivered at different times; provided that nothing herein shall be construed to preclude the creation of a separate reserve fund or funds or the obtaining of separate surety bonds, insurance policies, or other credit facilities for subsequent issues of Institutional Enterprise Revenue Bonds which may or may not be pledged toward the payment of each series of Institutional Enterprise Revenue Bonds.

Section 7.02. Parity Obligations.

(a) The Board reserves the right to issue or incur Parity Auxiliary Obligations and to pledge the Net Revenues to the payment of such Parity Auxiliary Obligations on a parity with the pledge of the Net Revenues to payment of any Bonds hereunder, but only if all of the following conditions are met: (a) all conditions to the issuance of additional Bonds set forth in Section 7.03 hereof are met with respect to such Parity Auxiliary Obligations (determined for such purpose to the fullest extent practicable as if such Parity Auxiliary Obligations were Bonds); (b) such Parity Auxiliary Obligations shall have no right to, or lien on, any moneys or investments held in any Fund, account or subaccount other than the System Revenue Account of the Revenue Fund; (c) the Parity Obligation Instrument under which such Parity Auxiliary Obligations are issued incorporates the provisions of Article VIII hereof, as applicable; and (d) following the issuance of such Parity Auxiliary Obligations, such Parity Auxiliary Obligations shall be treated as Bonds to the fullest extent practicable, and debt service on such Parity Auxiliary Obligations shall be treated as debt service on Bonds for purposes of this Master Resolution, including, but not limited to, Sections 7.03 and 8.05 hereof.

(b) The Board reserves the right to issue or incur Parity Institutional Obligations and to pledge the Institutional Enterprise Revenues to the payment of such Parity Institutional Obligations on a parity with the pledge of the Institutional Enterprise Revenues to payment of any Institutional Enterprise Revenue Bonds hereunder, but only if all of the following conditions are met: (a) all conditions to the issuance of Additional Bonds set forth in Section 7.03 hereof are met with respect to such Parity Institutional Obligations (determined for such purpose to the fullest extent practicable as if such Parity Institutional Obligations were Institutional Enterprise Revenue Bonds); (b) such Parity Institutional Obligations shall have no right to, or lien on, any moneys or investments held in any Fund, account or subaccount other than the Revenue Fund; (c) the Parity Obligation Instrument under which such Parity Institutional Obligations are issued
incorporates the provisions of Article VIII hereof, as applicable; and (d) following the issuance of such Parity Institutional Obligations, such Parity Institutional Obligations shall be treated as Institutional Enterprise Revenue Bonds to the fullest extent practicable, and debt service on such Parity Institutional Obligations shall be treated as debt service on Institutional Enterprise Revenue Bonds for purposes of this Master Resolution, including, but not limited to, Sections 7.03 and 8.05 hereof.

Section 7.03. Limitations Upon Issuance of Additional Bonds.

(a) Nothing set forth in this Master Resolution shall be construed in such a manner as to prevent the issuance by the Board of additional Auxiliary Facilities Revenue Bonds payable from any Net Revenues and constituting a lien thereon on a parity with, but not prior to, the lien of all Outstanding Bonds, nor to prevent the issuance of Auxiliary Facilities Revenue Bonds refunding all or a part of the Outstanding Commercial Paper Notes, other Bonds or other obligations of the Board; provided, however, that before any such additional Auxiliary Facilities Revenue Bonds are issued, including any refunding obligations (except as otherwise provided herein):

(i) **Absence of Default.** The Board shall not have defaulted in making any payments required by Article V hereof during the 12 calendar months immediately preceding the issuance of such additional Auxiliary Facilities Revenue Bonds, or, if none of the Bonds have been issued and Outstanding for a period of at least 12 calendar months, for the longest period any of the Bonds have been issued and Outstanding.

(ii) **Earnings Test.** The Net Revenues for the Fiscal Year immediately preceding the date of adoption of the Supplemental Resolution or other instrument authorizing the issuance of such additional Auxiliary Facilities Revenue Bonds, adjusted as hereinafter provided, shall have been sufficient to pay an amount of not less than 100% of the Average Annual Debt Service Requirements with respect to all Bonds that will remain Outstanding following the issuance of such additional Auxiliary Facilities Revenue Bonds, including the additional Auxiliary Facilities Revenue Bonds to be issued.

(iii) **Adjustment of Amounts of Net Revenues.** In determining whether or not additional Auxiliary Facilities Revenue Bonds may be issued as aforesaid, there shall be added to the amount determined to be such Net Revenues for such Fiscal Year the amount, if any, estimated by the Board to equal the additional amount the Board expects to derive as a part of the Net Revenues during the first full Fiscal Year following (i) the completion of the additions to, improvements to, betterments of, enlargements of, and extensions of the Facilities (or any combination thereof), to be acquired with the proceeds of such additional Auxiliary Facilities Revenue Bonds; (ii) the approval and imposition of any new fee or the increase of any existing fee relating to the Facilities (or any combination thereof) which fee is pledged to secure the Bonds; or (iii) the inclusion of any additional revenues of the College which will be pledged in connection with the issuance of the additional Auxiliary Facilities Revenue Bonds.
Bonds; provided that such anticipated amount is to be limited to the revenues estimated to be derived from estimated charges for the use of such additional Facilities, the estimated revenues of the new or additional fee or the estimated additional revenues to be pledged. Such Net Revenues shall be increased if any schedule of fee or rate increases shall have been adopted by resolution of the Board during the 12-month period immediately preceding the date of the adoption of the resolution authorizing such additional Auxiliary Facilities Revenue Bonds, by an amount estimated to equal the difference between the Net Revenues actually received by the Board and the Net Revenues which the Board would have received during said 12-month period if the last of any such schedule of fee or rate increases had been in effect during said entire 12-month period. The adjustments provided in this paragraph shall be made by the Board and his/her figures as to the upward adjustment, if any, in Net Revenues as a result of such adjustments shall be conclusively presumed to be accurate.

(b) Nothing set forth in this Master Resolution shall be construed in such a manner as to prevent the issuance by the Board of additional Institutional Enterprise Revenue Bonds payable from any Institutional Enterprise Revenues and constituting a lien thereon on a parity with, but not prior to, the lien of all Institutional Enterprise Revenue Bonds, nor to prevent the issuance of Institutional Enterprise Revenue Bonds refunding all or a part of the Outstanding Commercial Paper Notes, other Bonds or other obligations of the Board; provided, however, that before any such additional Institutional Enterprise Revenue Bonds are issued, including any refunding obligations (except as otherwise provided herein):

(i) **Absence of Default.** The Board shall not have defaulted in making any payments required by Article V hereof during the 12 calendar months immediately preceding the issuance of such additional Institutional Enterprise Revenue Bonds, or, if none of the Bonds have been issued and Outstanding for a period of at least 12 calendar months, for the longest period any of the Bonds have been issued and Outstanding.

(ii) **Earnings Test.** The Institutional Enterprise Revenues for the Fiscal Year immediately preceding the date of adoption of the Supplemental Resolution or other instrument authorizing the issuance of such additional Institutional Enterprise Revenue Bonds, adjusted as hereinafter provided, shall have been sufficient to pay an amount of not less than 100% of the Average Annual Debt Service Requirements with respect to all Bonds that will remain Outstanding following the issuance of such additional Institutional Enterprise Revenue Bonds, including the additional Institutional Enterprise Revenue Bonds to be issued. Such calculation shall be made in accordance with the priority of application of Tuition Revenues as set forth in Sections 2.03(c) and 5.04 hereof.

(iii) **Adjustment of Amounts of Net Revenues.** In determining whether or not additional Institutional Enterprise Revenue Bonds may be issued as aforesaid, there shall be added to the amount determined to be such Institutional Enterprise Revenues for such Fiscal Year the amount, if any, estimated by the
Board to equal the additional amount the Board expects to derive as a part of the Institutional Enterprise Revenues during the first full Fiscal Year following (i) the completion of the additions to, improvements to, betterments of, enlargements of, and extensions of the Facilities (or any combination thereof), to be acquired with the proceeds of such additional Institutional Enterprise Revenue Bonds; (ii) the approval and imposition of any new fee or the increase of any existing fee relating to the Facilities (or any combination thereof) which fee is pledged to secure the Bonds; or (iii) the inclusion of any additional revenues of the College, including any additional tuition amounts, which will be pledged in connection with the issuance of the additional Institutional Enterprise Revenue Bonds; provided that such anticipated amount is to be limited to the revenues estimated to be derived from estimated charges for the use of such additional Facilities, the estimated revenues of the new or additional fee or the estimated additional revenues to be pledged. Such Institutional Enterprise Revenues shall be increased if any schedule of fee or rate increases shall have been adopted by resolution of the Board during the 12-month period immediately preceding the date of the adoption of the resolution authorizing such additional Institutional Enterprise Revenue Bonds, by an amount estimated to equal the difference between the Institutional Enterprise Revenues actually received by the Board and the Institutional Enterprise Revenues which the Board would have received during said 12-month period if the last of any such schedule of fee or rate increases had been in effect during said entire 12-month period. The adjustments provided in this paragraph shall be made by the Board and his/her figures as to the upward adjustment, if any, in Institutional Enterprise Revenues as a result of such adjustments shall be conclusively presumed to be accurate.

Section 7.04. Certification of Revenues. A written certification by the Board Representative that the Net Revenues or Institutional Enterprise Revenues, as applicable, plus any adjustment figures as provided in Section 7.03 hereof, are in an amount sufficient to pay said amounts, as provided in Section 7.03(a)(ii) or Section 7.03(b)(ii) hereof, shall be conclusively presumed to be accurate in determining the right of the Board to authorize, issue, sell and deliver Additional Auxiliary Facilities Revenue Bond or Institutional Enterprise Revenue Bonds as provided in Section 7.03 hereof.

Section 7.05. Subordinate Obligations Permitted. Nothing set forth herein, except as otherwise expressly stated herein, shall be construed to prevent the Board from issuing additional obligations payable from Net Revenues or Institutional Enterprise Revenues, as applicable, and having a lien thereon subordinate, inferior and junior to the lien of the Bonds or Institutional Enterprise Revenue Bonds, as applicable.

Section 7.06. Superior Obligations Prohibited. Nothing set forth herein shall be construed to permit the Board to issue additional obligations payable from Net Revenues or Institutional Enterprise Revenues, as applicable, and having a lien prior and superior to the Bonds or Institutional Enterprise Revenue Bonds, as applicable.

Section 7.07. Payment Dates of Additional Bonds. Any additional Bonds, Parity Obligations or subordinate obligations (including any refunding obligations) issued in
compliance with the terms hereof shall be payable at such times as may be designated by the Board upon the issuance of such additional Bonds, Parity Obligations or subordinate obligations.

Section 7.08. Refunding Obligations. The provisions of Sections 7.03 and 7.04 hereof are subject to the conditions provided in Sections 7.09 and 7.10 hereof.

Section 7.09. Privilege of Issuing Refunding Bonds. If at any time the Board shall find it desirable to refund any Outstanding Bonds, Parity Obligations or other obligations payable from and constituting a lien upon Net Revenues or Institutional Enterprise Revenues, said obligations, or any part thereof, may be refunded (but only with the consent of the owner or owners thereof, unless such Bonds or obligations at the time or times of their required surrender for payment shall then mature or shall be then callable for prior redemption at the Board’s option upon proper call), regardless of whether the priority of the lien for the payment of the refunding obligations on the Net Revenues or Institutional Enterprise Revenues is changed, except as provided in Sections 7.06 and 7.10 hereof.

Section 7.10. Limitations Upon Issuance of Parity Refunding Obligations.

(a) No refunding obligations payable from Net Revenues shall be issued on a parity with Outstanding Bonds unless:

   (i) the lien on Net Revenues of the Outstanding obligations so refunded is on a parity with the lien thereon of the refunding Bonds; or

   (ii) the refunding obligations are issued in compliance with Section 7.03(a), including subsections (i), (i) and (iii) thereof, taking into account the issuance of the refunding obligations.

(b) No refunding obligations payable from Institutional Enterprise Revenues shall be issued on a parity with Outstanding Institutional Enterprise Bonds unless:

   (i) the lien on Institutional Enterprise Revenues of the Outstanding obligations so refunded is on a parity with the lien thereon of the refunding Institutional Enterprise Bonds; or

   (ii) the refunding obligations are issued in compliance with Section 7.03(b), including subsections (i), (i) and (iii) thereof, taking into account the issuance of the refunding obligations.

Section 7.11. Special Projects and Special Obligations. Nothing set forth in this Article VII or in any other provision hereof, except as stated in this section, shall be construed to prevent or restrict the issuance of obligations (“Special Obligation Bonds”) for any purpose authorized by law, including, without limiting the generality of the foregoing, purposes of similar character to those herein authorized and purposes of similar character to those herein permitted for future additional Bonds and to pledge to the payment thereof (as a separate and independent pledge of revenues) such revenues as will be derived solely from the particular project (“Special Project”) to be acquired with the proceeds of such obligations, together with any improvements, extensions, enlargements and betterments thereof. No Special Project shall be undertaken if the
use or occupation of the facility to be thereby acquired would provide services, facilities or
supplies whenever such services, facilities or supplies may be adequately and efficiently made
available to the students and employees of the College through the then existing facilities of the
College, the revenues from which are required hereunder to be deposited in the Revenue Fund,
nor if the Special Project would result in a reduction of Net Revenues or Institutional Enterprise
Revenues below the minimum required to be maintained as hereinafter provided. The written
opinion of the Board, rendered at the date of issuance of the Special Obligation Bonds, that the
limiting factors stated in the preceding sentence will not be present at the date of issuance of the
Special Obligation Bonds or thereafter during the life of the issue shall be conclusive, absent a
showing of bad faith. After such Special Obligation Bonds have been fully paid and retired, all
revenues derived from operation or use of facilities so acquired shall be used as the Board may
direct. Nothing herein shall be construed to prohibit the Board from pledging Net Revenues or
Institutional Enterprise Revenues or both (on a subordinate basis to the lien of the Bonds or the
Institutional Enterprise Revenue Bonds) to the payment of such Special Obligation Bonds.

ARTICLE VIII

PROTECTIVE COVENANTS

Section 8.01. General. The Board covenants and agrees with the owners of the Bonds
from time-to-time and makes provisions which shall be a part of its contract with such owners to
the effect and with the purpose set forth in the following provisions and sections of this Article.

Section 8.02. Performance of Duties. The Board will faithfully and punctually perform
or cause to be performed all duties with respect to the Facilities required by the Constitution and
laws of the State and the resolutions of the Board, including but not limited to the making and
collecting of reasonable and sufficient charges for services rendered or furnished by the Facilities
as herein provided, and the proper segregation of the Gross Revenues and its application to the
respective Funds or accounts provided from time-to-time therefor.

If the College is designated at a later date as an Institutional Enterprise pursuant to the
Institutional Enterprise Statute as set forth in Section 9.05 hereof, the Board hereby covenants
that it will faithfully and punctually perform or cause to be performed all duties with respect to
the Institutional Enterprise required by the Constitution and laws of the State and the resolutions
of the Board, including but not limited to the making and collecting of reasonable and sufficient
charges for services rendered or furnished by the Institutional Enterprise as herein provided, and
the proper segregation of the Institutional Enterprise Revenues and its application to the
respective Funds or accounts provided from time-to-time therefor.

Section 8.03. Further Assurances. At any and all times, the Board shall, so far as it
may be authorized by law, pass, make, do, execute, acknowledge, and deliver all and every such
further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be
necessary or desirable for the better assuring, conveying, granting, assigning and confirming all
and singular the rights, Gross Revenues, Institutional Enterprise Revenues, and other Funds and
accounts hereby pledged or assigned, or intended so to be, or which the Board may hereafter
become bound to pledge or to assign, or as may be reasonable and required to carry out the
purposes of this Master Resolution and to comply with law. The Board shall at all times, to the
extent permitted by law, defend, preserve and protect the pledge of the Net Revenues or Institutional Enterprise Revenues, as appropriate, and other Funds and accounts pledged hereunder and all the rights of every owner of the Bonds against all claims and demands of all persons whomsoever.

Section 8.04. Conditions Precedent. Upon the date of issuance of any Bonds, all conditions, acts and things required by the Constitution or statutes of the State or the resolutions of the Board or this Master Resolution to exist, to have happened and to have been performed precedent to or upon the issuance of the Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other obligations of the Board, shall be within every debt and other limitation prescribed by the State Constitution or statutes.

Section 8.05. Fees, Rates and Charges.

(a) While any Bonds remain Outstanding, and subject to applicable law, the Board will continue to impose such fees and charges as are included within the Gross Revenues and will continue the operation and use of the Facilities and the Board will cause to be established and maintained such reasonable fees, rental rates, and other charges for the use of all Facilities as will return annually Gross Revenues sufficient:

(i) to pay any Operation and Maintenance Expenses as provided in Sections 5.03 and 5.04 hereof;

(ii) to pay 100% of the annual Debt Service Requirements of the Bonds and any Parity Obligations payable from the Net Revenues;

(iii) to make any deposits required to the Reserve Fund; and

(iv) to pay the annual Debt Service Requirements of any obligations payable from the Net Revenues, in addition to the Bonds and any Parity Obligations payable from the Net Revenues, including without limitation any reserves required to be accumulated therefor or any reimbursement pursuant to a reserve fund insurance policy, surety bond, financial guaranty agreement and qualified exchange agreement relating thereto, including but not limited the repayment of draws, expenses and accrued interest relating thereto, all as provided herein. Such fees, rates and charges shall be reasonable and just, taking into account and consideration the cost and the value of the Facilities and the services rendered thereby and the Operation and Maintenance Expenses, and the amounts necessary for the retirement of all Bonds and any other obligations payable from revenues derived from their operation, accrued interest thereon, and any reserves therefor.

(b) While any Institutional Enterprise Revenue Bonds remain Outstanding, and subject to applicable law and the priority of application of Tuition Revenues to payment of the principal and interest due on outstanding Institutional Enterprise Revenue Bonds, as set forth in Section 2.03(c) hereof, the Board will continue to impose such fees and charges as are included within the Institutional Enterprise Revenues and will continue the operation and use of the Institutional Enterprise and the Board will cause to
(i) to pay any Operation and Maintenance Expenses from Gross Revenues as provided in Sections 5.03 and 5.04 hereof;

(ii) to pay 100% of the annual Debt Service Requirements of the Institutional Enterprise Revenue Bonds and any Parity Institutional Obligations payable from Institutional Enterprise Revenues;

(iii) to make any deposits required to the Reserve Fund; and

(iv) to pay the annual Debt Service Requirements of any obligations payable from the Institutional Enterprise Revenues, in addition to the Institutional Enterprise Revenue Bonds and any Parity Institutional Obligations payable from the Institutional Enterprise Revenues, including without limitation any reserves required to be accumulated therefor or any reimbursement pursuant to a reserve fund insurance policy, surety bond, financial guaranty agreement and qualified exchange agreement relating thereto, including but not limited the repayment of draws, expenses and accrued interest relating thereto, all as provided herein. Such fees, rates and charges shall be reasonable and just, taking into account and consideration the cost and the value of the Facilities and the services rendered thereby and the Operation and Maintenance Expenses, and the amounts necessary for the retirement of all Institutional Enterprise Revenue Bonds and any other obligations payable from revenues derived from their operation, accrued interest thereon, and any reserves therefor.

Section 8.06. Prompt Collections. The Board will cause the Gross Revenues and Tuition Revenues to be collected promptly and accounted for in the Funds and accounts as provided.

Section 8.07. Payment of Bonds. The Board will promptly pay the principal of, premium, if any, and interest on all Bonds at the places, on the dates and in the manner specified herein, according to the true intent and meaning hereof.

Section 8.08. Budgets. The Board shall cause to be prepared and adopted annually and at such other times as may be provided by law a budget for the Facilities and the College as an Institutional Enterprise, upon designation.

Section 8.09. Maintenance of Facilities and Institutional Enterprise. The Board will at all times maintain the Facilities and the Institutional Enterprise in good repair, working order and condition, will continually administer and operate the Facilities and the Institutional Enterprise, and from time-to-time will make all needful and proper repairs, renewals and replacements of the Facilities and the Institutional Enterprise.

Section 8.10. Disposal of Property Prohibited. Except for any lease for proper rentals, the Board will not sell, mortgage, pledge, or otherwise encumber, or in any manner dispose of, or
otherwise alienate, the Facilities or the Institutional Enterprise, or any part thereof, including any and all extensions and additions that may be made thereto, until all Bonds issued hereunder shall have been paid in full, both as to principal and interest, or unless provision has been made therefor, except as provided in Section 8.11 hereof.

Section 8.11. Disposal of Unnecessary Property. The Board may sell, destroy, abandon, otherwise dispose of, or alter at any time any property constituting a part of the Facilities or the Institutional Enterprise which shall have been replaced by other property of at least equal value, or which shall cease to be necessary for the efficient operation of the Facilities or the Institutional Enterprise, or which will not decrease Gross Revenues or Institutional Enterprise Revenues below the requirements of Section 8.05 hereof. A written determination by the Board that the Gross Revenues and Institutional Enterprise Revenues will be sufficient to meet the requirements of Section 8.05 hereof after such sale, destruction, abandonment, other disposition, or alteration, shall be conclusively determined to be accurate, absent a showing of bad faith; provided, however, that in the event of any sale or other compensated disposition as aforesaid, the proceeds received on such disposition shall be credited to the Debt Service Fund or otherwise as designated by the Board.

Section 8.12. Fire and Extended Coverage Insurance for the Facilities. From and after the time when the contractors, or any of them, engaged in constructing any Facilities shall cease to be responsible pursuant to the provisions of their respective contracts for loss or damage, the Board shall procure and maintain fire and extended coverage insurance on such Facilities, and the Board shall continue to procure and maintain fire and extended coverage insurance on all its Facilities, all in amounts at least sufficient to provide for not less than full recovery whenever the loss from perils insured against does not exceed 80% of the full insurable value of the buildings. The Board, at its election, may provide for the insurance specified in this Section partially or wholly by means of participation in any self-insurance fund currently maintained by the State or a similar self-insurance fund as provided by applicable law or Board resolution, in compliance with the requirements hereof. Any such self-insurance shall be deemed to be insurance coverage hereunder.

Section 8.13. Other Insurance. The Board will procure and maintain in connection with, but not necessarily limited to, the Facilities public liability insurance, boiler explosion insurance, and workers’ compensation insurance in such amounts and to the extent as may be required under the laws of the State or as is normally carried by private corporations operating colleges of like size and type. The Board, at its election, may provide for the insurance specified in this Section partially or wholly by means of participation in any self-insurance fund currently maintained by the State or a similar self-insurance fund as provided by applicable law, in compliance with the requirements hereof. Any such self-insurance shall be deemed to be insurance coverage hereunder.

Section 8.14. Reliability of Insurers. Insurance required by Sections 8.12 and 8.13 hereof, to the extent that it is not provided by means of self-insurance, shall be carried with a reliable insurance company or companies authorized to do business in the State; and the premiums on such insurance, or an allocable and pro rata share thereof, may be paid as Operation and Maintenance Expenses.
Section 8.15. Proof of Loss. Upon the occurrence of any loss or damages covered by any of the insurance policies specified above in Sections 8.12 and 8.13 hereof, from one or more causes to which reference is made therein, the Board will make due proof of loss in any material amount and will do all things necessary to cause the insuring companies to make payment in accordance with the terms of such policy or policies.

Section 8.16. Use of Insurance Proceeds. The proceeds of insurance, covering such property, shall be used forthwith by the Board for the purposes of repairing the property destroyed; and any insurance proceeds remaining upon the completion of such repair or replacement shall be deposited in the Revenue Fund.

Section 8.17. Insufficiency of Insurance Proceeds. If the funds received from the insurance policies on account of any loss shall be insufficient, together with other available moneys of the Board, to make the building suffering such loss tenantable or usable, then the Board shall hold such funds for the ratable benefit of the holders of the Outstanding Bonds as their respective interests may appear.

Section 8.18. Surety Bonds. Each official of the College or the Board or other person having custody of any moneys derived from the operation of the Facilities or the College as an Institutional Enterprise, should it be so designated, or responsible for their handling, shall be fully bonded at all times, which bond shall be conditioned upon the proper application of said moneys; provided that the requirement of this Section shall be deemed satisfied by a blanket employee dishonesty insurance policy. The cost of each such surety bond or blanket policy or a pro rata share thereof may be paid as an Operation and Maintenance Expense.

Section 8.19. Records. So long as any of the Bonds remain Outstanding, proper books of record and account will be kept by the Board, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to each of the Facilities or the College as an Institutional Enterprise, should it be so designated.

Section 8.20. Right To Inspect. Any owner of any of the Bonds, or any duly authorized agent or agents of such owner, shall have the right at all reasonable times to inspect all records, accounts and data relating to the Institutional Enterprise and the Facilities and all properties appertaining thereto.

Section 8.21. Annual Statements and Audits. Upon the written request of the owners of 25% in principal amount of the Bonds at the time Outstanding, but not more often than once a year, the Board will cause an audit of the books and accounts related to the Bonds to be made by an Independent Accountant, the expense of each such audit to be considered as an Operation and Maintenance Expense.

Section 8.22. Accumulation of Interest Claims Prohibited. The Board will not extend or assent to the extension of time for paying any claim for interest. Any installment of interest so extended shall not be entitled in event of default hereunder to the benefit or security of this Master Resolution, except upon the prior payment in full of the principal of all Bonds an interest which has not been extended.
Section 8.23. Other Liens. The Board hereby represents that, other than with respect to the Bonds, the Parity Obligations and the Exchange Termination Payments and as provided hereby, there are no liens or encumbrances of any nature whatsoever on or against the Facilities or the College as an Institutional Enterprise, should it be so designated, or the revenues derived or to be derived from the operation of the same.

Section 8.24. Corporate Existence. The Board shall take no action which would cause it to cease to exist so long as any of the Bonds herein authorized remain Outstanding, unless another body corporate and politic by operation of law succeeds for the liabilities and rights of the Board without adversely affecting to any substantial degree the privileges and rights of any owner of any Bonds.

Section 8.25. Protection of Security. The Board or any officers, agents or employees of the Board or the College shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bonds and the interest thereon according to the terms thereof. The Board hereby elects to have all provisions of Part 2 of Section 11-57, Colorado Revised Statutes, as amended, apply to the issuance of the Bonds; provided, however, that such election shall not operate to modify or limit the rights conferred on the Board and the officers of the Board by any other provisions of Colorado law.

Section 8.26. Prejudicial Contracts and Action Prohibited. No lease nor any other contract will be entered into, nor will any action be taken by which the rights and privileges of any owner of any Bonds might be impaired or diminished at any time.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Defeasance. When all principal of, premium, if any, and interest and other amounts due on the Bonds, Parity Obligations, or the Exchange Termination Payments, or any portion thereof, have been duly paid, the pledge and lien of all obligations hereunder shall thereby by discharged as to such issue or part of such issue and such issue or part of such issue shall no longer be deemed to be Outstanding within the meaning hereof. There shall be deemed to be such due payment if the Board has placed in escrow or in trust with a trust bank exercising trust powers, an amount sufficient, including the known minimum yield available for such purpose from federal securities in which such amount wholly or in part may be initially invested, to meet all requirements of principal of, premium, if any, and interest on the securities issue, as such requirements become due to their final maturities or upon any designated redemption dates. The federal securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Board and such trust bank at the time of the creation of the escrow or trust, or the federal securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule.

Section 9.02. Evidence of Security Holders. Any request, consent, or other instrument which this Master Resolution may require or may permit to be signed and to be executed by the owner of any bonds or other securities may be in one or more instruments of similar tenor and
shall be signed or shall be executed by each such owner in person or by his/her attorney appointing in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the owning by any Person of the securities shall be sufficient for any purpose hereof (except as otherwise herein expressly provided) if made in the following manner.

(a) **Proof of Execution.** The fact and the date of the execution by the owner of any Bonds or other securities or his/her attorney of such instrument may be provided by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Board or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the individual signing such request or other instrument acknowledged to him the execution, or an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; the authority of the individual or individual purporting to be the president or vice-president of such corporation with a corporate seal affixed and attested by an individual purporting to be its secretary or an assistant secretary; and the authority of any Person or Persons executing any such instrument in any fiduciary or representative capacity may be established without further proof if such instrument is signed by a Person or Persons purporting to act in such fiduciary or representative capacity.

(b) **Proof of Ownership.** The amount of Bonds owned by any Person may be proved only by reference to the registration records kept by the registrar for the Bonds, the amount of other securities transferable by delivery held by any Person executing any instrument as an owner of securities, and the numbers, date, and other identification thereof, together with the date of his/her owning the securities, may be proved by a certificate which need not be acknowledged or verified, in form satisfactory to the Board, executed by a member of a financial firm or by an officer of a bank or trust company, insurance company, financial corporation, or other depository satisfactory to the Board, or by any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, showing at the date therein mentioned that such Person exhibited to such member, officer, notary public, or other officer so authorized to take acknowledgments of deeds or had on deposit with such depository the securities described in such certificate; and such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company, financial corporation, or other depository satisfactory to the Board, or by a notary public or other officer so authorized to take acknowledgments of deeds with respect to securities owned by such owner, if acceptable to the Board; but the Secretary of the Board may nevertheless in his/her discretion require further or other proof in cases where he or she deems the same advisable.

**Section 9.03. Warranty Upon Issuance of Bonds.** Any Bonds, when duly executed and delivered for the purpose provided for herein, shall constitute a warranty by and on behalf of the Board for the benefit of each and every future owner of any of the Bonds that such bonds have been issued for a valuable consideration in full conformity with law.
Section 9.04. Appointment and Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent appointed under any Supplemental Resolution shall resign, or if the Board shall decide, for any reason, to dismiss such Registrar or Paying Agent, the Board may, upon notice mailed to each owner of the related Bonds at his/her address last shown on the registration records, appoint a successor Registrar or Paying Agent. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. Every such successor Registrar or Paying Agent shall be a trust bank. It shall not be required that the same institution serve as both Registrar or Paying Agent, but the Board shall have the right to have the same institution serve as both Registrar or Paying Agent under any Supplemental Resolution.

Section 9.05. Institutional Enterprise Designation. Unless and until the College is designated as an enterprise within the meaning of the Institutional Enterprise Statute, the Auxiliary Facilities Revenue Bonds will be secured under this Master Resolution solely by the Net Revenues. However, upon any such future designation of the College as an Institutional Enterprise under the Institutional Enterprise Statute, Tuition Revenues will be pledged, without further action by the Board, to the payment of the Auxiliary Facilities Revenue Bonds then Outstanding, and any Auxiliary Facilities Revenue Bonds then Outstanding will be deemed to be Institutional Enterprise Revenue Bonds for purposes of this Master Resolution payable on a parity basis with any Institutional Enterprise Revenue Bonds theretofore or thereafter issued from the Institutional Enterprise Revenues.

ARTICLE X

PRIVILEGES, RIGHTS AND REMEDIES

Section 10.01. Bondholder’s Remedies. Each owner of any Bonds shall be entitled to all of the privileges, rights and remedies provided or permitted at law or in equity or by statute. No real or personal property appertaining to the Facilities, the College as an Institutional Enterprise, should it be so designated, or otherwise has been conveyed to secure the payment of the Bonds by deed of trust or by mortgage to a trustee for the benefit and the security of the owner of the Bonds authorized, subject to the provisions concerning the pledge of and the covenants and the other contractual provisions concerning revenues of the Facilities and the College as an Institutional Enterprise, should it be so designated.

Section 10.02. Right To Enforce Payment of Bonds Unimpaired. Nothing in this Article contained shall effect or impair the right of any owner of any Bond to enforce the payment of the principal of and the interest on his/her bond or the obligations of the Board to pay the principal of and the interest on each such bond to the owner thereof at the time and the place expressed in the bond.

Section 10.03. Events of Default. Each of the following events is hereby declared an “event of default”:

(a) Nonpayment of Principal or Redemption Price. Payment of the principal or Redemption Price of any of the Bonds shall not be made when the same shall become due and payable either at maturity or by proceedings for prior redemption or otherwise.
(b) **Nonpayment of Interest.** Payment of any installment of interest shall not be made when the same becomes due and payable.

(c) **Nonpayment of Parity Obligations.** Payment of principal, interest or other amounts payable on any Parity Obligations shall not be made when the same becomes due and payable.

(d) **Incapable to Perform.** The Board shall for any reason be rendered incapable of fulfilling its obligations hereunder.

(e) **Appointment of Receiver.** An order or decree shall be entered by a court of competent jurisdiction with the consent or acquiescence of the Board appointing a receiver or receivers for the Facilities or for the rates and charges derived therefrom, or if an order or decree having been entered without the consent or acquiescence of the Board, shall not be vacated or discharged or stayed on appeal within 60 days after entry.

(f) **Default of any Provision.** The Board shall make default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this resolution on its part to be performed, and if such default shall continue for 60 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Board by the purchaser of the Bonds or by the owners of 25% in principal amount of the Bonds then Outstanding.

**Section 10.04. Remedies of Defaults.** Upon the happening and continuance of any of the events of default, as provided in Section 10.03 hereof, then in every case the owner of not less than 25% in principal amount of the Bonds then Outstanding, including but not limited to a trustee or trustees therefor, may proceed against the College, the Board and the agents, officers and employees of the College or the Board, or of both, to protect and to enforce the rights of any owner of Bonds hereunder by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as such owner may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the Board to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds then Outstanding.

**Section 10.05. Rights and Privileges of Receiver.** Any receiver appointed in any proceedings to protect the rights of such owners hereunder, the consent to any such appointment being hereby expressly granted by the Board, may enter and may take possession of the properties of the Board or the College, or of both, operate and maintain the same, prescribe rates and charges, and collect, receive and apply all revenues arising after the appointment of such receiver in the same manner as the Board itself might do.

**Section 10.06. Rights and Privileges Cumulative.** The failure of any such owner so to proceed shall not relieve the Board or any of its officers, agents or employees of any liability for
failure to perform any duty. Each right or privilege of any such owner (or trustee thereof) is in
addition and is cumulative to any other right or privilege, and the exercise of any right or
privilege by or on behalf of any owner shall not be deemed to waive any other right or privilege
thereof.

**Section 10.07. Duties Upon Default.** Upon the happening of any of the events of
default as provided in Section 10.03 hereof, the Board, in addition, will do and will perform all
proper acts on behalf of and for the owners of Bonds to protect and to preserve the security
created for the payment of their Bonds and to insure the payment of the principal of and the
interest on such Bonds promptly as the same become due. [All Net Revenues, so long as any of
such Bonds, either as to principal or as to interest, are Outstanding and unpaid, shall be paid into
the Debt Service Fund]. In the event the Board fails or refuses to proceed as in this Section
provided, the owners of not less than 25% in principal amount of the Bonds then Outstanding,
after demand in writing, may proceed to protect and to enforce the rights of the owners of the
Bonds as hereinabove provided; and to that end any such owners of Outstanding Bonds shall be
subrogated to all rights of the Board under any agreement, lease or contract involving the
College entered into prior to the effective date hereof or thereafter while any of the Bonds are
Outstanding and unpaid.

**Section 10.08. Duties in Bankruptcy Proceedings.** In the event any Person proceeds
under any laws of the United States relating to bankruptcy, including any action under any law
providing for corporate reorganization, it shall be the duty of the Board, and its appropriate
officers are hereby authorized and directed, to take all necessary steps for the benefit of the
owners of the Bonds in said proceedings, including the filing of any claims for unpaid rates and
charges or otherwise arising from the breach of any of the covenants, terms or conditions of any
contract involving the College.

**ARTICLE XI**

**AMENDMENT OF MASTER RESOLUTION**

**Section 11.01. Limitations Upon Amendments.** This Master Resolution may be
amended or supplemented by Supplemental Resolutions adopted by the Board in accordance
with the laws of the State, without receipt by the Board of any additional consideration, but,
except as otherwise provided in Article XII hereof, with the written consent of the owners of a
majority of the principal amount of Bonds or Parity Obligations Outstanding at the time of the
adoption of such Supplemental Resolution; provided, however, that no such resolution shall have
the effect of permitting:

(a) **Changing Payment.** A change in the maturity of any Outstanding Bond;

(b) **Reducing Return.** A reduction in the principal amount of, or other
amount specified in, any Bond, Parity Obligation or Qualified Exchange Agreement or
the rate of interest thereon, without the consent of the owner of the Bond, Parity
Obligation or Qualified Exchange Agreement;
(c) **Prior Lien.** The creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by this Master Resolution;

(d) **Modifying Any Bond.** A reduction of the principal amount or percentages or otherwise affecting the description of Bonds, Parity Obligations or Qualified Exchange Agreement, the consent of the owners of which is required for any such modification or amendment;

(e) **Priorities Between Bonds.** The change of priorities as between any Bonds, Parity Obligations or other obligations secured by the Net Revenues or Tuition Revenues or both, issued and Outstanding under the provisions of this Master Resolution; or

(f) **Partial Modification.** The modification of or otherwise affecting the rights of the owners of less than all of the Bonds or Parity Obligations (including rights with respect to Exchange Termination Payments thereunder) then Outstanding;

provided further, however, this Master Resolution may be amended or supplemented by resolutions adopted by the Board, without receipt of any additional consideration and without consent of the Bondholders, as provided in Article XII hereof and otherwise to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Master Resolution which would not be inconsistent with the provisions of this Master Resolution, provided such action shall not materially adversely affect the interests of the owners of the Bonds and Parity Obligations then Outstanding or rights with respect to Exchange Termination Payments.

**Section 11.02. Proof of Instruments.** The fact and date of the execution of any instrument under the provisions of this Article may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgment of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to or before such officer.

**ARTICLE XII**

**SUPPLEMENTAL RESOLUTIONS**

**Section 12.01. Supplemental Resolutions Effective Upon Filing With the Paying Agent.** For any one or more of the following purposes and at any time or from time-to-time, the Board may adopt and execute a Supplemental Resolution, which, upon adoption and execution, shall be fully effective in accordance with its terms without the consent of any Bondholders (except as otherwise specifically provided below):

(a) to authorize Bonds of a series and, in connection therewith, to specify and determine the matters and things referred to in Article III hereof and also any other matters and things relative to such Bonds which are not in conflict with this Master Resolution as theretofore in effect, or to amend, modify or rescind any such
authorization, specification or determination at any time prior to the first delivery of such Bonds;

(b) to conform this Master Resolution to any amendment of any Supplemental Resolution in accordance with its terms;

(c) to close this Master Resolution or any Supplemental Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Master Resolution or any Supplemental Resolution on, the delivery of Bonds or the issuance of other evidences of indebtedness;

(d) to add to the covenants and agreements of the Board in this Master Resolution or any Supplemental Resolution, other covenants and agreements to be observed by the Board which are not in conflict with this Master Resolution or the applicable Supplemental Resolutions as theretofore in effect;

(e) to add to the limitations and restrictions in this Master Resolution or any Supplemental Resolution other limitations and restrictions to be observed by the Board which are not in conflict with this Master Resolution or the applicable Supplemental Resolution, as therefore in effect;

(f) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Master Resolution or any Supplemental Resolution of the Net Revenues or Tuition Revenues or both, or to provide for the release of revenues from the lien or pledge of this Master Resolution in accordance with the provisions hereof;

(g) to modify any of the provisions of this Master Resolution or any Supplemental Resolution in any respect whatever; provided that (i) such modification shall be, and be expressed to be, effective only after all Outstanding Bonds of any series at the date of the adoption of such Master Resolution or Supplemental Resolution shall cease to be Outstanding Bonds; and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any series delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof;

(h) to modify, amend or supplement this Master Resolution or any Supplemental Resolution in such manner as to permit, if presented, the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or under any state blue sky law;

(i) to surrender any right, power or privilege reserved to or conferred upon the Board by the terms of this Master Resolution; provided that the surrender of such right, power or privilege is not in conflict with the covenants and agreements of the Board contained in this Master Resolution;

(j) to increase the debt service reserve fund requirement and any capitalized interest requirements;
to alter the Master Resolution to comply with the requirements of a nationally recognized rating agency in order to obtain or maintain a rating on any of the Bonds in one of the four highest rating categories of such rating agency;

(l) to designate Paying Agents, Registrars and other fiduciaries for the Bonds of any series;

(m) to modify, amend or supplement this Master Resolution or any Supplemental Resolution in order to provide for or eliminate book-entry registration of all or any of the Bonds;

(n) to amend a prior Supplemental Resolution in accordance with the provisions thereof;

(o) for any other purpose in respect of any Bonds or any series of Bonds which, at the time such amendments are made, are fully secured by a pledge of or lien on direct obligations of or obligations the principal of and interest on which is unconditionally guaranteed by, the United States of America, certified by an independent certified public accountant to be sufficient to provide for the full and timely payment of principal and Redemption Price of, and interest on, the Bonds;

(p) if such amendment does not amend this Section or reduce the principal amount or Maturity Value, delay principal or Maturity Value payment dates, reduce interest rates, delay Interest Payment Dates or Accretion Dates, or, except to the extent contemplated therein, amend redemption provisions, then applicable to any series of Bonds and then, at least one of the following conditions is met:

   (i) on the effective date of such amendment, all Bonds of such series are secured by a Credit Facility through the later of the next date on which such Bonds are subject to optional or mandatory purchase or their maturity, the consent of the issuer of the Credit Facility is obtained and the Board has been provided with proof satisfactory to it that such amendment will not result in an reduction of any rating of any of the Bonds in effect immediately prior to such amendment;

   (ii) such amendment is made to facilitate the provision of a Credit Facility for a series of Bonds that is not then secured by a Credit Facility; or

   (iii) such amendment is made to facilitate (A) the maintenance of any current rating of the Bonds of such series, or (B) the obtaining of any higher rating of the Bonds of such series desired by the Board; and

(q) to facilitate the issuance of and provision of security for Parity Obligations in accordance with Section 7.02 hereof.

Section 12.02. General Provisions.
(a) This Master Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to provisions of this Article and Article XI hereof.

(b) Any Supplemental Resolution referred to and permitted or authorized by Section 12.01 hereof may be adopted by the Board without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Section. The copy of every Supplemental Resolution when filed with the Board shall be accompanied by an opinion of Bond Counsel, in form and substance satisfactory to the Board, stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of this Master Resolution, is authorized or permitted by this Master Resolution, and is valid and binding upon the Board, and will not adversely affect the exclusion from gross income for federal income tax purposes of any interest on the Bonds.
ADOPTED AND APPROVED this ___ day of ________ 2009.

[SEAL] BOARD OF TRUSTEES FOR
ADAMS STATE COLLEGE

By ________________________________
Chair

Attest:

By ________________________________
Secretary