

BOARD OF REGENTS  
BRIEFING PAPER

**1. Agenda Item Title: Financing Plan For Issuance of State of Nevada General Obligation University System Bonds for capital improvements at UNR and UNLV**

**Meeting Date: June 5-6, 2014**

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

**BACKGROUND**

April 19, 2013 Special Meeting of the Board of Regents

The Board approved a resolution directing the Chancellor to request passage of a bill by the 2013 Legislature to approve issuance of slot tax bonds for construction of approximately \$70 million in capital improvements to the campuses of UNR and UNLV.

June 11, 2013

The Governor signed into law AB501, which authorized the sale of up to \$85 million of State of Nevada general obligation bonds for projects at UNR and UNLV by the Board of Regents on behalf and in the name of the State of Nevada, in cooperation with the State Treasurer, with the approval of the State Board of Finance as provided in NRS 349.225 and consistent with the provisions of the State Securities Law.

June 11, 2013

The Governor signed into law AB335, which authorized up to 2% of the proceeds of the sale of the proposed bonds for projects at UNLV to be applied to costs incurred by the University of Nevada, Las Vegas, Campus Improvement Authority.

September 5-6, 2013 Meeting of the Board of Regents

Per the Internal Revenue Code of 1986, the Board approved a resolution that would permit the reimbursement from proceeds of the planned, tax-exempt State of Nevada GO bonds for certain "up-front" expenses associated with the projects authorized by AB501 and AB335 approved by the 2013 Legislature.

**THE FINANCING PLAN PROPOSAL**

Pending approval by the State Board of Finance (which will consider its resolution on August 12, 2014), and in cooperation with the State Treasurer, the proposed bonds will be sold to finance the cost of the projects authorized in AB501 and AB335.

The State's 2005G General Obligation University System Bonds are currently outstanding, with annual debt service of approximately \$6.52 million through fiscal year 2017. The revenues pledged to the outstanding and proposed bonds are a portion of the collections of the State imposed \$250 per machine slot tax. These pledged revenues accrue to the System as HECC and SHECC funding sources.

Interest payments on the proposed bonds will be capitalized through fiscal year 2017. For fiscal years 2018 through 2033, annual debt service payments on the proposed bonds will continue at the current \$6.52 million per year level. Therefore, issuance of the proposed bonds will not increase annual debt service paid from the HECC/SHECC funds above the levels already committed to the 2005G bonds.

The resolution authorizes the sale of up to \$85 million of bonds, however the actual amount to be sold will be limited to the amount of bonds supported by the existing debt service payment stream. Based on current

*Revised: April 2014*

estimates, the existing repayment stream should generate approximately \$70 million of capital construction funds (net of financing costs and capitalized interest).

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

1. Approval of a resolution authorizing the issuance of up to \$85 million of tax-exempt State of Nevada General Obligation (Limited Tax) University System Bonds (Revenue Supported), Series 2014F on behalf and in the name of the State of Nevada, in cooperation with the State Treasurer, with the approval of the State Board of Finance as provided in NRS 349.225 and consistent with the provisions of the State Securities Law. (Exhibit 1)

**4. IMPETUS (WHY NOW?):**

- Prior to the State Board of Finance adopting their resolution (on August 12) for the issuance of the proposed bonds, the Board must adopt its resolution.
- In cooperation with the State Treasurer, and pending approval of the State Board of Finance, the bonds authorized by AB501 are scheduled to be sold at competitive sale in September 2014.
- Delaying approval by the Board may result in a multi-month delay in the issuance of the proposed bonds due to the meeting schedules of the Board of Regents and the State Board of Finance.

**5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- The Board of Regents have previously approved the projects to be financed and their plan of finance.
- The projects to be financed by the issuance of the proposed bonds are of vital importance to UNR and UNLV.

**6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

- Funds used to pay debt service on the proposed bonds may be used for other capital expenditures once the existing 2005G bonds are fully repaid in 2017.
- The use of capitalized interest on the proposed bonds reduces the construction proceeds available for the projects at UNR and UNLV. Delaying issuance of the proposed bonds may decrease the cost of capitalized interest (and make more funds available to UNR and UNLV), but will expose the financing plan to interest rate risk as well as project cost inflation.

**7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

- Delay issuance of the proposed bonds to potentially reduce the cost of capitalized interest. However, this will put the financing plan at risk due to potential interest rate increases and potential project cost inflation.
- Cancel the projects authorized to be financed by the sale of the proposed bonds.

**8. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Other: \_\_\_\_\_
- Fiscal Impact: Yes  No

*Revised: April 2014*

Explain: Approximately \$6.52 million of annual State slot tax revenues will be obligated to pay debt service on the proposed bonds in fiscal years 2018 through 2033. These funds are currently obligated for existing bonds and there is no increased obligation.

*Revised: April 2014*

**State of Nevada  
General Obligation (Limited Tax)  
University System Bonds  
(Revenue Supported)  
Series 2014F  
Sources & Uses of Funds**

**Issue Summary**

Par Amount	\$72,195,000
True-Interest-Cost	3.78592%
Bond Yield	3.40999%
Weighted Average Maturity	11.329 years
Underwriter's Spread	0.750%
Costs as % of Par	1.304%

<b>Sources</b>		<b>Uses</b>	
Par Amount	\$72,195,000.00	Construction Funds	\$70,867,497.86
Original Issue Premium	<u>7,582,318.55</u>	Capitalized Interest	7,968,358.19
Total	\$79,777,318.55	Net Underwriting	541,462.50
		Insurance	0.00
		Issuance Costs	<u>400,000.00</u>
		Total	<u>\$79,777,318.55</u>

**State of Nevada**  
**General Obligation (Limited Tax)**  
**University System Bonds**  
**(Revenue Supported)**  
**Series 2014F**  
**Debt Service Schedule**

<b>Date</b>	<b>Principal</b>	<b>Rate</b>	<b>Interest</b>	<b>Capitalized Interest</b>	<b>Semi-Annual Debt Service</b>	<b>Annual Debt Service</b>
09/30/2014						
02/01/2015			\$1,146,458.19	(\$1,146,458.19)	\$0.00	\$0.00
08/01/2015	\$0	3.000%	1,705,475.00	(1,705,475.00)	0.00	
02/01/2016			1,705,475.00	(1,705,475.00)	0.00	0.00
08/01/2016	0	3.000%	1,705,475.00	(1,705,475.00)	0.00	
02/01/2017			1,705,475.00	(1,705,475.00)	0.00	0.00
08/01/2017	3,160,000	3.000%	1,705,475.00		4,865,475.00	
02/01/2018			1,658,075.00		1,658,075.00	6,523,550.00
08/01/2018	3,270,000	4.000%	1,658,075.00		4,928,075.00	
02/01/2019			1,592,675.00		1,592,675.00	6,520,750.00
08/01/2019	3,390,000	3.000%	1,592,675.00		4,982,675.00	
02/01/2020			1,541,825.00		1,541,825.00	6,524,500.00
08/01/2020	3,510,000	4.000%	1,541,825.00		5,051,825.00	
02/01/2021			1,471,625.00		1,471,625.00	6,523,450.00
08/01/2021	3,670,000	5.000%	1,471,625.00		5,141,625.00	
02/01/2022			1,379,875.00		1,379,875.00	6,521,500.00
08/01/2022	3,860,000	5.000%	1,379,875.00		5,239,875.00	
02/01/2023			1,283,375.00		1,283,375.00	6,523,250.00
08/01/2023	4,055,000	5.000%	1,283,375.00		5,338,375.00	
02/01/2024			1,182,000.00		1,182,000.00	6,520,375.00
08/01/2024	4,265,000	5.000%	1,182,000.00		5,447,000.00	
02/01/2025			1,075,375.00		1,075,375.00	6,522,375.00
08/01/2025	4,485,000	5.000%	1,075,375.00		5,560,375.00	
02/01/2026			963,250.00		963,250.00	6,523,625.00
08/01/2026	4,715,000	5.000%	963,250.00		5,678,250.00	
02/01/2027			845,375.00		845,375.00	6,523,625.00
08/01/2027	4,955,000	5.000%	845,375.00		5,800,375.00	
02/01/2028			721,500.00		721,500.00	6,521,875.00
08/01/2028	5,210,000	5.000%	721,500.00		5,931,500.00	
02/01/2029			591,250.00		591,250.00	6,522,750.00
08/01/2029	5,475,000	5.000%	591,250.00		6,066,250.00	
02/01/2030			454,375.00		454,375.00	6,520,625.00
08/01/2030	5,755,000	5.000%	454,375.00		6,209,375.00	
02/01/2031			310,500.00		310,500.00	6,519,875.00
08/01/2031	6,055,000	5.000%	310,500.00		6,365,500.00	
02/01/2032			159,125.00		159,125.00	6,524,625.00
08/01/2032	6,365,000	5.000%	159,125.00		6,524,125.00	
02/01/2033			0.00		0.00	6,524,125.00
	<u>\$72,195,000</u>		<u>\$40,134,233.19</u>	<u>(\$7,968,358.19)</u>	<u>\$104,360,875.00</u>	<u>\$104,360,875.00</u>

**State of Nevada  
General Obligation (Limited Tax)  
University System Bonds  
(Revenue Supported)  
Series 2014F  
Pricing Information**

Call Date: 08/01/2024

Call Price: 100

Date	Principal	Coupon	Yield	Price	Prem/(Disc)	Production
09/30/2014						
08/01/2017	\$3,160,000.00	3.000%	1.370%	104.517	\$142,737.20	\$3,302,737.20
08/01/2018	3,270,000.00	4.000%	1.660%	108.660	283,182.00	3,553,182.00
08/01/2019	3,390,000.00	3.000%	1.920%	104.963	168,245.70	3,558,245.70
08/01/2020	3,510,000.00	4.000%	2.240%	109.575	336,082.50	3,846,082.50
08/01/2021	3,670,000.00	5.000%	2.560%	115.209	558,170.30	4,228,170.30
08/01/2022	3,860,000.00	5.000%	2.770%	115.607	602,430.20	4,462,430.20
08/01/2023	4,055,000.00	5.000%	3.000%	115.418	625,199.90	4,680,199.90
08/01/2024	4,265,000.00	5.000%	3.180%	115.264	651,009.60	4,916,009.60
08/01/2025	4,485,000.00	5.000%	3.360%	113.635	611,529.75	5,096,529.75
08/01/2026	4,715,000.00	5.000%	3.530%	112.121	571,505.15	5,286,505.15
08/01/2027	4,955,000.00	5.000%	3.650%	111.067	548,369.85	5,503,369.85
08/01/2028	5,210,000.00	5.000%	3.760%	110.112	526,835.20	5,736,835.20
08/01/2029	5,475,000.00	5.000%	3.850%	109.337	511,200.75	5,986,200.75
08/01/2030	5,755,000.00	5.000%	3.930%	108.654	498,037.70	6,253,037.70
08/01/2031	6,055,000.00	5.000%	4.010%	107.976	482,946.80	6,537,946.80
08/01/2032	6,365,000.00	5.000%	4.090%	107.303	464,835.95	6,829,835.95
	\$72,195,000.00	Par Amount			\$7,582,318.55	\$79,777,318.55
	<u>7,040,856.05</u>	+ Premium Bid				
	79,235,856.05	= Amount Bid				
	<u>541,462.50</u>	+ Underwriter's Spread				
	\$79,777,318.55	= Price to Public				

**State of Nevada**  
**General Obligation (Limited Tax)**  
**University System Bonds**  
**(Revenue Supported)**  
**Series 2014F**  
**Pledged Slot Tax Revenues**

Fiscal Year	2009 (unaudited)	2010 (unaudited)	2011 (unaudited)	2012 (unaudited)	2013 (unaudited)
Gross Slot Tax Collections	\$49,581,281	\$48,390,092	\$47,438,586	\$46,619,837	\$45,544,781
Pledged Revenues					
HECC Portion	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
SHECC Portion 1/	<u>9,916,256</u>	<u>9,678,018</u>	<u>9,487,717</u>	<u>9,323,967</u>	<u>9,108,956</u>
Gross Pledged Revenues	\$14,916,256	\$14,678,018	\$14,487,717	\$14,323,967	\$14,108,956
Gross Debt Service 2/	\$7,626,494	\$7,514,669	\$7,513,719	\$6,521,375	\$9,930,200
Coverage	1.956	1.953	1.928	2.196	1.421
Jul 2012-Jun 2013 Collections					\$45,544,781
Pledged Revenues					\$14,108,956
Coverage					1.421

1/ Equal to 20% of the Gross Slot Tax Collections.

2/ For fiscal year 2013, represents maximum annual debt service occurring in FY 2016.

**State of Nevada**  
**General Obligation (Limited Tax)**  
**University System Bonds**  
**(Revenue Supported)**  
**Series 2014F**  
**Debt Service Coverage Table**

Fiscal Year	Pledged Revenues 1/ (A)	Existing Debt Service (B)	Proposed Bonds			Total (E) = C + D	Total Debt Service (F) = B + E	Coverage (G) = A/F
			Principal (C)	Interest 2/ (D)				
2014	\$14,108,956	\$6,520,125					\$6,520,125	2.164
2015	14,108,956	6,519,375	\$0	\$1,146,458	\$1,146,458		7,665,833	1.840
2016	14,108,956	6,519,250	0	3,410,950	3,410,950		9,930,200	1.421
2017	14,108,956	6,519,000	0	3,410,950	3,410,950		9,929,950	1.421
2018	14,108,956	0	3,160,000	3,363,550	6,523,550		6,523,550	2.163
2019	14,108,956	0	3,270,000	3,250,750	6,520,750		6,520,750	2.164
2020	14,108,956	0	3,390,000	3,134,500	6,524,500		6,524,500	2.162
2021	14,108,956	0	3,510,000	3,013,450	6,523,450		6,523,450	2.163
2022	14,108,956	0	3,670,000	2,851,500	6,521,500		6,521,500	2.163
2023	14,108,956	0	3,860,000	2,663,250	6,523,250		6,523,250	2.163
2024	14,108,956	0	4,055,000	2,465,375	6,520,375		6,520,375	2.164
2025	14,108,956	0	4,265,000	2,257,375	6,522,375		6,522,375	2.163
2026	14,108,956	0	4,485,000	2,038,625	6,523,625		6,523,625	2.163
2027	14,108,956	0	4,715,000	1,808,625	6,523,625		6,523,625	2.163
2028	14,108,956	0	4,955,000	1,566,875	6,521,875		6,521,875	2.163
2029	14,108,956	0	5,210,000	1,312,750	6,522,750		6,522,750	2.163
2030	14,108,956	0	5,475,000	1,045,625	6,520,625		6,520,625	2.164
2031	14,108,956	0	5,755,000	764,875	6,519,875		6,519,875	2.164
2032	14,108,956	0	6,055,000	469,625	6,524,625		6,524,625	2.162
2033	14,108,956	0	6,365,000	159,125	6,524,125		6,524,125	2.163
		\$26,077,750	\$72,195,000	\$40,134,233	\$112,329,233		\$138,406,983	

MADS 9,930,200  
Occurs in FY: 2016

1/ Based on revenue collections in FY 2013.

2/ Excludes impact of capitalized interest.



**State of Nevada**  
**General Obligation (Limited Tax)**  
**University System Bonds**  
**(Revenue Supported)**  
**Series 2014F**  
**Bond Allocation**

	UNR Portion	UNLV Portion	Total
<b>Authorized Bonds</b>	\$27,293,577	\$57,706,423	\$85,000,000
% of Total	32.11%	67.89%	100.00%
<b>Sources of Funds:</b>			
Par Amount	\$23,181,879.00	\$49,013,121.00	\$72,195,000.00
OID/OIP	<u>2,434,689.24</u>	<u>5,147,629.31</u>	<u>7,582,318.55</u>
<b>Total Sources of Funds:</b>	\$25,616,568.24	\$54,160,750.31	\$79,777,318.55
<b>Uses of Funds:</b>			
Construction Proceeds	\$22,755,616.84	\$48,111,881.02	\$70,867,497.86
Capitalized Interest	2,558,646.95	5,409,711.24	7,968,358.19
Net Underwriting	173,864.09	367,598.41	541,462.50
Insurance	0.00	0.00	0.00
Issuance Costs	<u>128,440.36</u>	<u>271,559.64</u>	<u>400,000.00</u>
<b>Total Uses of Funds:</b>	\$25,616,568.24	\$54,160,750.31	\$79,777,318.55

**Debt Service (net of capitalized interest)**

Fiscal Year			
2015	\$0.00	\$0.00	\$0.00
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	2,094,717.91	4,428,832.09	6,523,550.00
2019	2,093,818.72	4,426,931.28	6,520,750.00
2020	2,095,022.74	4,429,477.26	6,524,500.00
2021	2,094,685.48	4,428,764.52	6,523,450.00
2022	2,094,059.20	4,427,440.80	6,521,500.00
2023	2,094,620.98	4,428,629.02	6,523,250.00
2024	2,093,698.16	4,426,676.84	6,520,375.00
2025	2,094,340.18	4,428,034.82	6,522,375.00
2026	2,094,742.35	4,428,882.65	6,523,625.00
2027	2,094,742.13	4,428,882.87	6,523,625.00
2028	2,094,179.98	4,427,695.02	6,521,875.00
2029	2,094,461.20	4,428,288.80	6,522,750.00
2030	2,093,778.13	4,426,846.87	6,520,625.00
2031	2,093,538.06	4,426,336.94	6,519,875.00
2032	2,095,063.01	4,429,561.99	6,524,625.00
2033	<u>2,094,902.18</u>	<u>4,429,222.82</u>	<u>6,524,125.00</u>
<b>TOTAL</b>	\$33,510,370.41	\$70,850,504.59	\$104,360,875.00

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE SALE AND ISSUANCE BY THE BOARD OF REGENTS ON BEHALF AND IN THE NAME OF THE STATE OF NEVADA OF THE "STATE OF NEVADA, GENERAL OBLIGATION (LIMITED TAX) UNIVERSITY SYSTEM PROJECTS BONDS (REVENUE SUPPORTED), SERIES 2014F"; PROVIDING OTHER PROVISIONS CONCERNING THE STATE, THE NEVADA SYSTEM OF HIGHER EDUCATION, THE BONDS AND THE PLEDGED REVENUES; RATIFYING ACTION PREVIOUSLY TAKEN AND PERTAINING TO THE FOREGOING MATTERS; PROVIDING OTHER MATTERS RELATING THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the University of Nevada (the "University") is the legal and corporate name of the state university, the seat of which, as described in Section 4, Article 11, Constitution of the State of Nevada, is located at the office of the chancellor of the Nevada System of Higher Education (the "Chancellor of the System" or the "Chancellor") in the City of Reno, and in the County of Washoe and the State of Nevada (the "State" or the "Issuer"), and which is a body corporate and politic under the constitution and laws of the State; and

WHEREAS, the System is the system of universities, colleges, and research and public service units administered under the direction of the Board of Regents of the University (the "Board" or the "Governing Body"); and

WHEREAS, pursuant to Section 2, Chapter 514, Statutes of Nevada 2013 and Chapter 507, Statutes of Nevada 2013 (collectively, the "Project Act"), as supplemented by Nevada Revised Statutes ("NRS") 463.370 through 463.400, as amended (the "Slots Tax Act"), and as supplemented by NRS 349.150 through 349.364 and all other laws amendatory thereof or supplemental thereto, cited in NRS 349.150 thereof as the State Securities Law (the "Bond Act"), and other acts supplemental thereto, and to resolutions duly adopted by the Board, the Board has heretofore issued the State of Nevada, General Obligation (Limited Tax), University System Refunding Bonds (Revenue Supported), Series 2005G (the "2005 Bonds");

WHEREAS, pursuant to the Bond Act and the Project Act, the Board, on behalf and in the name of the Issuer has the power to issue not more than \$85,000,000 of State general obligation bonds for the purpose of defraying in whole or in part the cost of the projects described in subsection 2 of section 2 of the Chapter 514, Statutes of Nevada 2013 and Section 24.7 of Chapter 507, Statutes of Nevada 2013 (as more particularly defined herein, the "Cost of the Project" and the "Project"), which bonds are payable from general (ad valorem) taxes, which payment is additionally secured by a pledge of excise tax proceeds imposed annually pursuant to the Slots Tax Act; and

WHEREAS, pursuant to the Bond Act and the Project Act, the Board, on behalf and in the name of the Issuer, hereby declares its intent to defray the Cost of the Project (as defined herein) by the issuance of the State of Nevada, General Obligation (Limited Tax),

University System Projects Bonds (Revenue Supported), Series 2014F (the "2014 Bonds" or the "Bonds"); and

WHEREAS, the Project Act, as supplemented by the Bond Act, provides in effect that the 2014 Bonds shall constitute general obligations of the State payable and collectible out of State general (ad valorem) taxes levied against all taxable property in the State, subject to State statutory and constitutional tax limitations, in an amount sufficient to pay the principal of, any prior redemption premiums due in connection with, and the interest on the 2014 Bonds (the "Bond Requirements"), except to the extent any other money is lawfully made available therefor, which payment is additionally secured by an irrevocable pledge of and lien on certain revenues (but neither an exclusive pledge thereof nor an exclusive lien thereon) derived from certain State grants consisting of a portion of the State annual slot machines tax proceeds, as hereinafter designated; and

WHEREAS, the Governing Body has considered, found, and determined, and does hereby declare:

A. All action preliminary to the authorization of the issuance of the Bonds has been taken and is contingent upon the approval of the issuance of the Bonds by State Board of Finance;

B. It is necessary, to secure and preserve the public health, safety, convenience, and welfare of the people of the Issuer, that it issue the Bonds for the Project pursuant to the Project Act, the Bond Act, and all laws supplemental thereto;

C. Each of the limitations and other conditions to the issuance of the 2014 Bonds (other than their public sale) in the Project Act, the Bond Act, and any other relevant act of the State or the Federal Government has been met; and pursuant to NRS 349.352, this determination of the Governing Body that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

D. The 2014 Bonds shall otherwise be issued in strict compliance with the Project Act, the Bond Act, any other relevant act supplemental thereto, and as may be otherwise provided by law; and

WHEREAS, due to the necessity of immediately obtaining funds by the issuance of the 2014 Bonds to finance the Cost of the Project, the Governing Body has determined, and does hereby declare, that this Instrument shall take effect from and after its passage in accordance with law; and

WHEREAS, the Board hereby elects to have the provisions of the Chapter 348 of NRS (the "Supplemental Bond Act") apply to the 2014 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, ON BEHALF AND IN THE NAME OF THE STATE OF NEVADA:

## ARTICLE I

### SHORT TITLE, DEFINITIONS, INTERPRETATION, RATIFICATION, AUTHENTICATION, AND EFFECTIVE DATE

Section 101. Short Title. This resolution may be designated by the short title "2014F State GO Bond Resolution" (the "Instrument").

Section 102. Meanings and Construction.

A. Definitions. The terms in this section defined for all purposes of this Instrument and of any instrument amendatory hereof or supplemental hereto, or relating hereto, and of any instrument or document pertaining hereto, except where the context by clear implication otherwise requires, shall have the meanings herein specified:

"2014 Acquisition Account" means the special and separate account designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds Series 2014F Acquisition Account" created in Section 401C hereof.

"Board" or "Governing Body" means the Board of Regents of the System, constituting the governing body of the System, a body corporate and politic and a political subdivision of the State, and means any successor governing body of the System.

"2005 Bonds" means the "State of Nevada General Obligation (Limited Tax) University System Refunding Bonds (Revenue Supported), Series 2005G."

"2014 Bonds" means the "State of Nevada General Obligation (Limited Tax) University System Projects Bonds (Revenue Supported), Series 2014F."

"Bond Act" means the supplemental act pertaining to the issuance of the bonds herein authorized, cited as NRS 349.150 through 349.364, and all laws amendatory thereof or supplemental thereto, which act is designated in NRS 349.150 as the State Securities Law.

"2014 Bond Fund" means the special and separate account designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds Series 2014F Bond Fund" created herein.

"Bond Requirements" means the principal of, any prior redemption premiums due in connection with, and the interest on any bonds or securities.

"Bond Resolution," this "Instrument" or this resolution authorizing the issuance of the 2014 Bonds.

"Bond Year" for the purposes of this Instrument means the 12 months commencing on August 2nd of any calendar year and ending on August 1st of the next succeeding calendar year.

"Bondholder" or "Owner" or "registered owner" or any similar term means any person who shall be the registered owner of any Bond or Bonds.

The term "Bonds" or "2014 Bonds" means those securities herein authorized and designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds (Revenue Supported), Series 2014F."

"Capital Fund" means the special and separate account designated the "Capital Construction Fund for Higher Education" created in the State treasury by NRS 463.385, into which account are credited certain proceeds of the State's annual slot machines tax.

"2014 Capitalized Interest Account" means the special and separate account designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F Capitalized Interest Account" (the "2014 Capitalized Interest Account") created in Section 401A hereof.

"Certificate" means the Certificate executed by the Treasurer and the Chancellor or Vice Chancellor after the sale of the Bonds designating the Purchaser thereof, the rates of interest on the Bonds, the dates on which and prices at which the Bonds may be called for redemption prior to maturity, the price at which the Bonds will be sold, the principal amount of the Bonds, and the principal amount of the Bonds maturing in each year.

"Chairman" means the de jure or de facto Chairman of the Board, i.e., its presiding officer, or his or her successor in functions, if any.

"Chancellor" or "Chancellor of the System" or any phrase of similar import (including without limitation the phrase "Interim Chancellor"), means the de jure or de facto presiding officer of the System and its chief administrative officer, or his or her successor in functions, if any.

The term "combined maximum annual principal and interest requirements" means the maximum sum of the principal of and the interest on the 2014 Bonds, and any other "parity securities," as herein defined and elsewhere herein designated, payable from the Gross Revenues, and falling due (other than by an exercise of an option of prior redemption except as hereinafter specifically provided) during any one succeeding Fiscal Year for the period beginning with the Fiscal Year in which such computation is made and ending with the Fiscal

Year in which any of such obligations last become due at their respective fixed maturity dates or on a Redemption Date on which any of such obligations thereafter maturing are called for prior redemption or on which the Issuer has obligated itself to call such Bonds for prior redemption, whichever time is earlier, if any, but not including as Outstanding any 2014 Bonds which are no longer Outstanding under the defeasance provisions of Section 1001 hereof, subject to the following provisions:

(a) In any computation of the combined maximum annual principal and interest requirements under the Historic Earnings Test in Section 802 B hereof, the computation pertains to any Outstanding 2014 Bonds, any Outstanding parity bonds, any other Outstanding parity securities, and the parity bonds or other parity securities proposed to be issued, and the calculations pertaining to such computations shall be adjusted as provided by Section 802 C and D hereof and made by an Independent Accountant or the Vice Chancellor as provided by Section 803 hereof; and

(b) In any computation of the combined maximum annual principal and interest requirements hereunder, if all or any part of the Outstanding 2014 Bonds, or other Outstanding parity securities, and in the case of a computation of the Historic Earnings Test in Section 802 B hereof the proposed parity bonds or other parity securities proposed to be issued, of any issue hereafter issued or to be issued, as the case may be, is a term issue, rather than a serial issue, and

(i) If in the bond resolution or other proceedings authorizing or otherwise pertaining to the issuance of such securities issue the Issuer shall have obligated itself to call securities for prior redemption at any time or times in one or more designated Fiscal Years during the term of such issue prior to the fixed maturity date of such term securities, the principal amount of such securities (but no prior redemption premiums, if any, then due) to be paid on such a call date or such call dates in each such Fiscal Year shall be included as a principal amount so becoming due on such date or dates in each such Fiscal Year, the amount of principal of the term securities stated to be due on their fixed maturity date shall be correspondingly reduced by the amounts of principal theretofore to be redeemed on such mandatory prior redemption date or dates, and the amount of interest becoming due in each Fiscal Year shall be correspondingly adjusted to reflect such payment of principal under the schedule of mandatory prior redemption of securities; and

(ii) If in the bond resolution or other proceedings authorizing or otherwise pertaining to the issuance of such securities issue the Issuer shall have obligated itself to accumulate in a special and separate subaccount hereafter created within the 2014 Bond Fund as a sinking fund and to credit therein periodically certain amounts to pay wholly or in part

the principal of such term securities stated to be due on their fixed maturity date or dates, any amounts so required to be credited to the sinking fund each Fiscal Year (but not any investment gain from any investment or reinvestment of money credited to such subaccount, whether accrued or thereafter estimated to accrue), shall be treated except as hereinafter provided as the payment of principal of such term securities in such amounts in each Fiscal Year, the amount of principal of the term securities stated to be due on their fixed maturity date or dates shall be correspondingly reduced by the amounts so credited theretofore to the sinking fund under the proceedings authorizing or otherwise pertaining to the issuance of the term securities, but any amounts credited to the sinking fund for the payment of interest on such term securities issue within an initial period not exceeding the period estimated by the Governing Body to effect the project for which the securities are issued plus one year or any subsequent period not exceeding 13 months from the date of their deposit in the sinking fund until their expenditure in payment of interest shall not be treated as the payment of principal of the term securities, regardless of whether such amounts are temporarily invested in Federal Securities pending their expenditure on interest payments, and the amount of principal of the term securities stated to be due on their fixed maturity date or dates shall not be reduced by such amounts so credited to the sinking fund for interest payments, and if on the date of issue of such securities designated Federal Securities are to be acquired by the Issuer under contract reasonably insuring the acquisition by the Issuer with money accounted for in the sinking fund (other than such amounts credited thereto for interest payments) of such Federal Securities with designated principal and interest payment dates and investment yields insuring at least sufficient amounts to pay the interest on the term securities on their respective interest payment dates, together with the principal amount of the term securities on their fixed maturity date or dates, the interest on the term securities which are deemed as paid by the credit of such amounts to the sinking fund periodically (other than such amounts so to pay interest during such an initial period or such a 13 month period) shall be deemed as no longer accruing on such amounts from the respective dates they are credited to the sinking fund and shall be excluded thereafter from the interest treated as becoming due on the term securities in each Fiscal Year for the purposes of the computation, interest on such term securities shall be paid as the same becomes due from any money deposited in the sinking fund for that purpose and from such investment gain accounted for in the sinking fund, and the principal of such term securities shall be paid on their fixed maturity date or dates with other money accounted for in the sinking fund.

The term "commercial bank" means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation and of

the Federal Reserve System, which has a shareholders' equity of \$10,000,000 or more, and which is located within the United States; and such term includes without limitation, any "trust bank," as herein defined.

"Controller" means the de jure or de facto controller of the State, and thereby designated as such official, or his successor in functions, if any.

"Cost of the Project," or any phrase of similar import, means all or any part designated by the Board of the cost of the Project which cost, at the option of the Board (except as limited by law), may include all or any part of the incidental costs pertaining to the Project, including, without limitation:

(a) Preliminary expenses advanced by the Issuer from funds available for use therefor or any other source, so including any interfund loan of the Issuer, or advanced with the approval of the Issuer from funds available therefor or from any other source by the State, the System, the Federal Government, or by any other Person, or any combination thereof;

(b) The costs of premiums on builders' risk insurance and performance bonds, or a reasonably allocable share thereof;

(c) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates or costs, and other preliminaries;

(d) The costs of appraising, printing, estimates, advice, services of engineers, architects, financial consultants, attorneys at law, clerical help, or other agents or employees;

(e) The costs of making, publishing, posting, mailing, and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of 2014 Bonds pertaining to the Project, the purchase or other acquisition of Federal Securities or other investments in connection therewith, and bank fees and other expenses;

(f) The costs of contingencies;

(g) The costs of the capitalization with the proceeds of the 2014 Bonds of any interest on the Bonds for any period estimated to effect the Project plus one year, and of any discount on the 2014 Bonds, and of any reserves for the payment of the principal of and interest on the 2014 Bonds or other securities, or any replacement expenses, and of any other cost of issuance of the 2014 Bonds;

(h) The costs of amending any resolution or other instrument authorizing the issuance of or otherwise appertaining to outstanding bonds or other securities of the State;



(i) The costs of funding any short-term financing, construction loans and other temporary loans of not exceeding 5 years appertaining to a project and of the incidental expenses incurred in connection with such loans;

(j) The costs of any properties, rights, easements or other interests in properties, or any licenses, privileges, agreements and franchises;

(k) The costs of demolishing, removing or relocating any buildings, structures or other facilities on land acquired for any project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated; and

(l) All other expenses necessary or desirable and pertaining to the Project as estimated or otherwise ascertained by the Board.

"2014 Costs of Issuance Account" means the special and separate account designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F Costs of Issuance Account" created in Section 401B hereof.

The term "events of default" means the events stated in Section 1103 hereof.

"Federal Government" means the United States of America, or any agency, instrumentality, or corporation thereof.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds, or similar securities which are direct obligations of, or the principal of and interest on which securities are unconditionally guaranteed by, the United States, or other securities of the Federal Government.

"Fiscal Year" for the purposes of this Instrument means the 12 months commencing on July 1st of any calendar year and ending on June 30th of the next succeeding calendar year.

"General Tax Interest Fund" means the special and separate account in the State treasury designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F, General Tax Interest Fund," created in Section 502 hereof.

"General Tax Principal Fund" means the special and separate account in the State treasury designated as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F, General Tax Principal Fund," created in Section 502 hereof.

"General Taxes" or "Taxes" means general (ad valorem) property taxes, which taxes may be levied annually or possibly at other designated times by the State for each Fiscal Year against all the taxable property in the State for the purpose of paying wholly or in part the Bond Requirements of the 2014 Bonds.

"Governor" means the de jure or de facto governor of the State, or his successor in functions, if any.

"Governing Body" means the Board.

"Gross Pledged Revenues," "Pledged Revenues" or "Gross Revenues" means all the revenues derived from the portion of the proceeds of the State's annual slot machines tax fixed by NRS 463.385 which are credited to the Capital Fund and the Special Fund.

The term "hereby," "herein," "hereinabove," "hereinafter," "hereinbefore," "hereof," "hereto," "hereunder," or any similar term refers to this Instrument and not solely to the particular portion thereof in which such word is used; "heretofore" means before the adoption of this Instrument; and "hereafter" means after the adoption of this Instrument.

"Independent Accountant" means the Controller, or, in the alternative, any certified public accountant, or any firm of certified public accountants, duly licensed to practice and practicing as such under the laws of the State, as from time to time appointed and compensated by the Governing Body on the behalf and in the name of the Issuer:

(a) Who (other than the Controller) is, in fact, independent and not under the domination of the System or the Issuer;

(b) Who (other than the Controller) does not have any substantial interest, direct or indirect, with the System or the Issuer; and

(c) Who (other than the Controller) is not connected with the System or the Issuer as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of either or both the System and the Issuer.

"Instrument" means this Bond Resolution; and the term "instrument of the Issuer," "instrument of the Governing Body," "amendatory instrument," "supplemental instrument," or any phrase of similar import, means any resolution adopted by the Governing Body on behalf of the Issuer.

"Issuer" or "State" means the State of Nevada, in the United States; and where the context so indicates, either such term means the geographic area comprising the State of Nevada.

"NRS" means Nevada Revised Statutes, the State's code of general laws.

"Outstanding" when used with reference to the Bonds or any other designated securities and as of any particular date means all the bonds or any such other securities payable from the Gross Revenues, in any manner theretofore and thereupon being executed and delivered:

(a) Except any Bond or other security canceled by the Issuer, by the Paying Agent or otherwise on the Issuer's behalf, at or before such date;

(b) Except any Bond or other security for the payment or the redemption of which moneys at least equal to its Bond Requirements to the date of its maturity or any Redemption Date, whichever date is earlier, if any, shall have theretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in Section 1001 hereof; and

(c) Except any Bond or other security in lieu of or in substitution for which another Bond or other security shall have been executed and delivered pursuant to Sections 306 or 1209 hereof.

The term "parity bonds" or "parity securities" means the Outstanding 2005 Bonds and any other bonds or securities pertaining to the System and payable from the Gross Pledged Revenues on a parity with the 2014 Bonds hereafter issued.

"Paying Agent" means, in connection with the 2014 Bonds, the paying agent designated in the Certificate as the paying agent for the purpose of paying the 2014 Bonds as herein provided, and the designated term includes any successor paying agent appointed as provided in Section 1007 hereof.

"Person" means a corporation, firm, other body corporate (including, without limitation, the Federal Government, or any other body corporate and politic other than the System or the Issuer), partnership, association, or individual, and also includes an executor, administrator, trustee, receiver, or other representative appointed according to law.

"Project" means:

(a) the planning, improvement, refurbishing and renovation of the Thomas and Mack Center for the University of Nevada, Las Vegas, including equipment, furnishings and appurtenances therefor and to provide money to the University of Nevada, Las Vegas, Campus Improvement Authority for the purpose of carrying out the provisions of Chapter 507, Statutes of Nevada 2013, in an amount not exceeding 2% of any money received by the University of Nevada, Las Vegas from the Bonds, including but not limited to, the planning, design and reports related to any improvement to the Thomas and Mack Center

that are financed by the Bonds (the "UNLV Subproject"), and where the context requires, the financing thereof with Bonds in a principal amount which does not exceed \$57,706,423.

(b) the planning, construction, improvement, refurbishing and renovation of buildings and capital improvements for the University of Nevada, Reno, including equipment, furnishings and appurtenances therefor (the "UNR Subproject") and, where the context requires, the financing thereof with Bonds in a principal amount which does not exceed \$27,293,577.

"Project Act" means Chapter 514, Statutes of Nevada 2013 and Chapter 507, Statutes of Nevada 2013.

"Purchaser" means the Purchaser designated in the Certificate.

"Redemption Date" means the date fixed for the redemption prior to their respective maturities of any bonds or other designated securities payable from the Gross Revenues or other money pertaining to the System or the State in any notice of prior redemption, or otherwise fixed and designated by the Issuer.

"Redemption Price" means, when used with respect to a bond or other designated security payable from the Gross Revenues or other money pertaining to the System or the State, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

"Registrar" means the registrar designated in the Certificate or any successor bond registrar for the 2005 Bonds named pursuant to Section 1007 hereof.

"Regular Record Date" means the 15th day of the calendar month next preceding each interest payment date (other than a special interest payment date hereafter fixed for the payment of defaulted interest).

"Resolution" means the Bond Resolution.

"Secretary," "State Secretary," or "Secretary of State," or words of similar import, means the de jure or de facto Secretary of State of the State of Nevada, and thereby designated as such official, or his successor in functions, if any.

"Special Record Date" means a special date fixed by the Paying Agent for the payment of any defaulted interest on any 2014 Bonds, as further provided in Section 302 hereof.

The term "slot machines tax proceeds," or words of similar import, means the proceeds of the State's annual slot machines tax levied by NRS 463.385, and credited in part to the Capital Fund and in part to the Special Fund, but not the remainder credited to the here irrelevant state distributive school account.

"Slots Tax Act" means the State act concerning State and county gaming license fees, and cited as NRS 463.370 through 463.400, inclusive.

"Special Fund" means the special and separate account designated the "Special Capital Construction Fund for Higher Education" created in the State treasury by NRS 463.385, into which account are credited certain proceeds of the State's slot machines tax.

"State" means the Issuer, i.e., the State of Nevada, in the United States; and where the context so indicates, either of such terms means the geographical area comprising the State of Nevada.

"State Treasurer" or merely "Treasurer" means the de jure or de facto state treasurer of the State of Nevada, and thereby designated as such official, or his or her successor in functions, if any.

The term "subordinate bonds" or "subordinate securities" means bonds or securities pertaining to the System and payable from the Gross Revenues subordinate and junior to the lien thereon of the 2014 Bonds.

"System" means the Nevada System of Higher Education, a statewide educational system of universities, colleges, and research and public service units administered under the direction of the Board and operating as the state university constituting a body corporate and politic, and a political subdivision of the State.

"System Secretary" means the de jure or de facto chief administrative officer of the Board of Regents of the System, and ex officio secretary, or his or her successor in functions, if any, and means the de jure or de facto assistant secretary or acting secretary, if any, of the Board, whenever the Secretary is unable to act in such capacity.

"System Treasurer" means the de jure or de facto treasurer of the Board and ex officio treasurer of the System, or his or her successor in functions, if any, which functions are now performed by the Chancellor of the System.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the 2014 Bonds.

"Taxes" means General Taxes.

"Treasurer" means the State Treasurer.

"Universities" means collectively the University of Nevada, Las Vegas, and the University of Nevada, Reno. The defined term includes all additional universities constructed and otherwise acquired hereafter by the System, if any.

"Vice Chancellor" means the de jure or de facto financial officer of the System designated as the Vice Chancellor for Finance and Administration, or his or her successor in functions, if any.

B. Construction. This Instrument, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(1) Words in the singular number include the plural, and words in the plural include the singular.

(2) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender refer to any gender.

(3) Articles, sections, subsections, paragraphs, and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs, and subparagraphs of this Instrument so numbered or otherwise so designated.

(4) The titles and leadlines applied to articles, sections, and subsections of this Instrument are inserted only as a matter of convenience and ease in reference and in no way define, limit, or describe the scope or intent of any provisions of this Instrument.

(5) Any 2014 Bonds and any other securities pertaining to the Gross Revenues which are held by the Issuer or the System shall not be deemed to be Outstanding for the purpose of redemption or Outstanding for the purpose of consents hereunder or for any other purpose provided herein.

Section 103. Successors. All of the covenants, stipulations, obligations, and agreements by or on behalf of and other provisions for the benefit of the Issuer, the System, or the Governing Body contained 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, or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power, or duty of the Issuer, the System, or the Governing Body 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 104. Parties Interested Herein. Except as herein otherwise expressly provided, nothing herein expressed or implied is intended or shall be construed to confer upon or to give to any Person, other than the Issuer, the System, the Governing Body, 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 herein contained by and on behalf of the Issuer or the System shall be for the sole and exclusive benefit of the Issuer or the System, respectively, the Governing Body, the Paying Agent, the Registrar and any owner of any Bonds.

Section 105. Ratification. All action heretofore taken (not inconsistent with the provisions of this Instrument) by the Governing Body, the officers of the System or the Issuer, and otherwise by the Issuer directed:

- A. Project. Toward the Project, and
- B. Bonds. Toward the sale and delivery of the Issuer's Bonds for that purpose, be, and the same hereby is, ratified, approved, and confirmed, including, without limitation, action heretofore taken toward the public sale of the 2014 Bonds, and the preparation and distribution of the Official Statement in connection therewith for the resale of the Bonds by the Purchaser and its associates, if any.

Section 106. Instrument Irrepealable. In consideration of the purchase and acceptance of the 2014 Bonds by those who shall hold the same from time to time, after any of the 2014 Bonds are issued, this Instrument shall constitute an irrevocable contract between the Issuer, the System, and the owner or owners of the 2014 Bonds; and this Instrument (subject to the provisions of Section 1001 and of Article XII hereof), if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled, and discharged, except as herein otherwise expressly provided.

Section 107. Repealer. All bylaws, orders, and other instruments, 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, or other instrument, or part thereof, heretofore repealed.

Section 108. Severability. If any section, subsection, paragraph, clause, or other provision of this Instrument shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or other provision shall not affect any of the remaining provisions of this Instrument.

Section 109. Effective Date. This Instrument is hereby declared to be an emergency measure on the ground of urgent public need and, therefore, immediately upon its final passage, adoption, and authentication, shall be in full force and effect.

## ARTICLE II

### GOVERNING BODY'S DETERMINATIONS, AUTHORITY FOR AND AUTHORIZATION OF PROJECT, NECESSITY OF PROJECT AND BONDS, PROJECT COST, OBLIGATION OF ISSUER, AND TERMS OF BOND SALE

Section 201. Authority of this Instrument. This Instrument is adopted by virtue of the Project Act, the Slots Tax Act, the Bond Act, and pursuant to their provisions; and the Issuer has ascertained and hereby determines:

A. Compliance with Project, Slots Tax and Bond Acts. Each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effectuate the purposes of the Issuer and the System in accordance with the Project Act, the Slots Tax Act and the Bond Act; and

B. Approval. The total cost of the Project is hereby approved.

Section 202. Life of Improvements. The Governing Body, on behalf of the Issuer, has determined and does hereby declare:

A. Estimated Life. The estimated life or estimated period of usefulness of the improvements financed by the 2014 Bonds is not less than 20 years from the date of delivery of the 2014 Bonds; and

B. Bond Term. The Bonds shall mature at times not exceeding such estimated life or estimated period of usefulness.

Section 203. Necessity of Project and Bonds. It is necessary and for the best interest of the Governing Body, the Issuer, the System, the officers, faculty, and students of the System, and the inhabitants of the State, that the Issuer and the System effect the Project and defray the cost thereof by issuing the 2014 Bonds; and it is hereby so determined and declared.

Section 204. Authorization of Project. The Governing Body, on behalf of the System and the Issuer, does hereby determine to undertake the Project, and the Project is hereby so authorized.

Section 205. Estimated Cost of Project. The Cost of the Project is estimated to be not less than the par amount of the Bonds, excluding any such cost defrayed or to be defrayed by any source other than the proceeds of the principal amount of the 2014 Bonds.

Section 206. Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the Issuer or the System shall be for the equal benefit, protection, and security of the Owners of any and all of the Outstanding 2014 Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without



preference, priority, or distinction, except as otherwise expressly provided in or pursuant to this Instrument.

Section 207. General Obligations. The full faith and credit of the Issuer are hereby pledged to the payment of the Bond Requirements of the 2014 Bonds; and they shall constitute general obligations of the Issuer and shall be payable from General Taxes on all taxable property in the Issuer (except to the extent any Gross Revenues or other money is available therefor), subject to the limitations imposed by the statutes and Constitution of the State.

Section 208. Additional Security. The payment of the Bond Requirements of the 2014 Bonds is additionally secured by an irrevocable pledge of and by a prior lien (but not necessarily an exclusively prior lien) on the Gross Revenues.

Section 209. No Pledge of Property. Pursuant to NRS 349.250, the payment of the 2014 Bonds is not and shall not be secured by an encumbrance, mortgage, or other pledge of property of either the System or the Issuer, except the proceeds of General Taxes, the Gross Revenues, and any other money pledged for the payment of the 2014 Bonds. No property of either the System or the Issuer, subject to such exception, shall be liable to be forfeited or taken in payment of the 2014 Bonds.

Section 210. No Recourse Against Officers and Agents. Pursuant to NRS 349.252, no recourse may be had for the payment of the Bond Requirements of the 2014 Bonds or for any claim based thereon or otherwise upon this Instrument authorizing their issuance or other instrument appertaining thereto, against any individual member of the Board, or any other officer or other agent of the System or the Issuer, past, present, or future, either directly or indirectly through the Board, the System, or the Issuer, 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 2014 Bonds and as a part of the consideration of their issuance specially waived and released.

Section 211. No Bond Election or Other Preliminaries. The Bonds shall be issued without their being authorized at any election by any electors of the Issuer and without any other preliminaries being taken other than approval of the Governor and the State Board of Finance, which are hereby requested, and other than those preliminaries heretofore taken as stated in the preambles hereof.

Section 212. Limitations Upon State. Pursuant to NRS 349.256, the faith of the State is hereby pledged that the Project Act, the Slots Tax Act, the Bond Act, any other law supplemental or otherwise pertaining to the Bond Act, and any other act concerning the 2014 Bonds, the General Taxes, or the Gross Revenues, or any combination of such securities, such Taxes, and such revenues to the extent such acts pertain thereto, shall be neither repealed nor amended nor otherwise directly or indirectly modified in such manner as to impair adversely any such outstanding State securities, until all such securities have been discharged in full or provision for their payment has been fully made therefor, including, without limitation, the

known minimum yield from the investment or reinvestment of money pledged therefor in federal securities, as defined in NRS 349.174, pursuant to Section 1001 hereof.

Section 213. Sale of Bonds; Authorization of Use of and Execution of Official Statement.

A. The Bonds are hereby authorized to be sold using such method of sale and at said time as is determined by the Chancellor or Vice Chancellor and the Treasurer. The Treasurer is authorized to accept a binding bid or negotiated offer for the purchase of the Bonds subject to the approval of Chancellor or Vice Chancellor and such officers are authorized to execute the Certificate.

B. The appropriate officers of the Board, the Issuer and the System, or any combination thereof, as designated in the Official Statement for the Bonds (the "Official Statement") are authorized to execute the Official Statement in such form and with such contents as are consistent with the facts and are not inconsistent with this Resolution, as may be approved by the execution of the Official Statement by such officers. The Chancellor, Vice Chancellor and Treasurer or any one of them is hereby authorized to designate a Preliminary Official Statement for the Bonds as a "deemed final Official Statement" for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, by the Securities and Exchange Commission ("Rule 15c2-12").

### ARTICLE III

#### AUTHORIZATION, TERMS, EXECUTION, FORM AND ISSUANCE OF BONDS

Section 301. Authorization of Bonds. The "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds (Revenue Supported), Series 2014F," in an aggregate principal amount set forth in the Certificate to pay the Cost of the Project, except to the extent any other revenues are available therefor, are hereby authorized to be issued, pursuant to the Project Act, the Slots Tax Act and the Bond Act. The 2014 Bonds are payable from General Taxes; and the Issuer pledges irrevocably, but not necessarily exclusively, Gross Pledged Revenues to the payment of the Bond Requirements of the 2014 Bonds, the proceeds of the 2014 Bonds to be used solely to defray the Cost of the Project, except as herein otherwise provided.

Section 302. Bond Details. The 2014 Bonds shall be issued in fully registered form, i.e., registered as to both principal and interest. The 2014 Bonds shall be dated as of the first day of the month of the date of delivery of the Bonds. Except as provided in Section 306 hereof the Bonds shall be issued in the denomination of \$5,000 and any integral multiples thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond will be issued for more than one maturity). The Bonds shall bear interest at the rates designated in the Certificate (not exceeding the "Index of 20 Bonds" most recently published before bids for the Bonds are received) from their date until their respective fixed maturity dates, or Redemption Dates, payable on February 1, 2015 and semiannually thereafter on February 1 and August 1 of each year; provided that Bonds which are

reissued upon transfer, exchange or other replacement shall bear interest at the rates shown below from the most recent interest payment to which interest has been paid, or, if no interest has been paid, from the date of the Bonds. The Bonds shall mature serially on August 1 in the designated amounts and years as designated in the Certificate. The principal of and redemption premium, if any, on any 2014 Bond, shall be payable to the Owner thereof as shown on the registration records kept by the Registrar, upon maturity or prior redemption thereof and upon presentation and surrender at the principal officer of the Paying Agent or at such other office as shall be designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by the Bond until the principal thereof is paid in full. Except as provided in Section 306 hereof, payment of interest on any Bond shall be made to the Owner thereof by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the Owner thereof at his address as shown on the registration 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 shall cease to be payable to the Person who is the Owner thereof at the close of business on the Regular Record Date and shall be payable to the Person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Paying Agent whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than 10 days prior thereto by first-class mail to each such Owner as shown on the Registrar's registration records on a 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 between the Owner of such Bond and the Paying Agent (but neither the Issuer nor the System shall be required to make funds available to the Paying Agent prior to the date on which such funds are due for payment to the owners of the Bonds). All such payments shall be made in lawful money of the United States of America.

Section 303. Redemption. The 2014 Bonds shall be subject to optional or mandatory redemption, or both, at the option of the System as directed by the Chancellor and the Treasurer, in the name and on behalf of the Issuer before maturity on the dates and at the prices as are designated in the Certificate.

Section 304. Negotiability. Subject to Section 306 hereof and to the registration and payment provisions herein provided, 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 305. Registration, Transfer and Exchange of Bonds. Except as otherwise provided in Section 306 hereof:

A. Registration and Transfer. 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 Owner or his 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 maturity bearing a number or numbers not previously assigned. Bonds in denominations other than \$5,000 may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations, as provided in 302 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. For every exchange or transfer of 2014 Bonds requested by the holder thereof, the Issuer, System, the Treasurer or the Registrar may make a sufficient charge to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, and except for the first exchange or transfer of a 2014 Bond (other than its registration for payment upon its issuance), may charge a sum sufficient to pay the cost of preparing each new 2014 Bond. No such charge shall be levied in the case of an exchange resulting from an optional prior redemption of a 2014 Bond.

B. Limitations upon Registration. 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. Effect of Registration. The Person in whose name any Bond shall be registered in 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 302 hereof with respect to interest payments) and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitation provided herein. 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. Replacement of Bond. 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 System or the Treasurer, on the behalf and in the name of the Issuer, 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 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 Registrar in lieu of replacement.

E. Cancellation of Bond upon Payment or Reissuance. 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, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the State Treasurer and the Vice Chancellor.

Section 306. Custodial Deposit.

A. Notwithstanding the foregoing provisions of Sections 302 to 305 of this Instrument, the 2014 Bonds shall initially be evidenced by one 2014 Bond for each year in which the 2014 Bonds mature in denominations equal to the principal amount which matures in each such year. Such initially delivered 2014 Bonds shall be registered in the name of "Cede & Co.," as nominee for The Depository Trust Company, the depository for the 2014 Bonds. The 2014 Bonds may not thereafter be transferred or exchanged except:

(1) To any successor of The Depository Trust Company or its nominee which successor of The Depository Trust Company must be both a "clearing corporation" as defined in subsection 3 of NRS 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended;

(2) Upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or this clause (2) of this Subsection A or a determination of the Issuer that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the designation by the Issuer of another depository institution, acceptable to the Issuer and to the depository then holding the 2014 Bonds which new depository institution must be both a "clearing corporation" as defined in subsection 3 of NRS 104.8102 and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

(3) Upon the resignation of The Depository Trust Company or a successor depository or new depository under clause (1) or (2) of this Subsection A or a determination by the Issuer that The Depository Trust Company, or such successor or new depository is no longer able to carry out its functions and the failure by the Issuer, after reasonable investigation, to locate another qualified depository institution under clause (2) to carry out the functions of The Depository Trust Company or such successor or new depository.

B. In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (1) of subsection A hereof or in the case of designation of a new depository pursuant to clause (2) of subsection A hereof upon

receipt of the outstanding 2014 Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new 2014 Bond for each then Outstanding maturity of the 2014 Bonds shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) of subsection A hereof and the failure after reasonable investigation to locate another qualified depository institution for the Bonds as provided in clause (3) of subsection A hereof, and upon receipt of outstanding 2014 Bond by the Registrar together with written instructions for transfer satisfactory to the Registrar, new 2014 Bonds shall be issued in the denominations of \$5,000 or any integral multiple thereof, as provided in and subject to the limitations of Section 302 hereof, registered in the names of such Persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new 2014 Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Issuer, the Registrar and the Paying Agent shall be entitled to treat the registered owner of any 2014 Bond as the absolute owner thereof for all purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by any or all of them and the Issuer, the Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the 2014 Bonds held by The Depository Trust Company or any successor or new depository named pursuant to subsection A hereof.

D. The Issuer, the Registrar and the Paying Agent shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (1) or (2) of subsection A hereof in effectuating payment of the Bond Requirements of the 2014 Bonds by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

E. Upon any partial redemption of any maturity of the 2014 Bonds, Cede & Co. (or its successor), in its discretion may request the Issuer to issue and authenticate a new 2014 Bond for such maturity or shall make an appropriate notation on the 2014 Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the 2014 Bond must be presented to the Paying Agent prior to payment.

Section 307. Execution of Bonds. The Bonds shall be executed as follows:

A. Filings with Secretary of State. If any 2014 Bonds bear facsimile signatures, pursuant to subsection 9 of section 2 of the Project Act, to NRS 349.284, and to the act cited as the Uniform Facsimile Signatures of Public Officials Act, cited as chapter 351 of NRS, and prior to the execution of any 2014 Bonds, the Governor, the Chairman, the Secretary, the Controller, the Treasurer, and the Chancellor and ex officio the System Treasurer, shall each file with the Secretary of State of the State of Nevada his manual signature certified by him under oath.

B. Manner of Execution. Each Bond shall be approved, signed and executed in the name of and on behalf of the Issuer with the manual or facsimile of the signature of the Governor, shall be countersigned and executed with the manual or facsimile of the signature of the Controller, the Chairman, the Chancellor and ex officio the System Treasurer, and the State Treasurer; shall be authenticated with the manual or facsimile impression of the official seal of the Issuer; and shall be signed, executed, and attested with such a manual or facsimile signature of the Secretary.

C. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer or employee of the Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds delivered pursuant to this Instrument, the Registrar shall be deemed to have assented to all of the provisions of this Instrument.

Section 308. Use of Predecessor's Signature. The 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 Issuer, 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. Each the Governor, the Chairman, the Chancellor and ex officio the System Treasurer, the Controller, the State Treasurer, and the Secretary, at the time of the execution of the Bonds and of a signature certificate pertaining thereto by the Governor, the Chairman, the Chancellor and ex officio the System Treasurer, the State Treasurer, and the Secretary, respectively, may adopt as and for his own facsimile signature the facsimile signature of his predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 309. Incontestable Recital in Bonds. Pursuant to NRS 349.274, each Bond shall recite that it is issued pursuant to the Project Act, to the Slots Tax Act and to the Bond Act, which recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 310. State Tax Exemption. Pursuant to NRS 349.354, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to chapter 375B of NRS.

Section 311. Bond Execution. The Governor, the Chairman, the Chancellor and ex officio the System Treasurer, the Controller, the State Treasurer, and the Secretary are hereby authorized and directed to prepare and to execute the Bonds as herein provided.

Section 312. Registration. The Registrar shall maintain the registration records of the Issuer for the Bonds showing the name and address of the Owner of each Bond

authenticated and delivered, the date of authentication, the maturity of the Bond and its interest rate, principal amount and bond number.

Section 313. Bond Delivery. After such registration of the Bonds by the Registrar pursuant to Section 312 and after their execution and authentication pursuant to Section 308 and other provisions herein supplemental thereto, the Treasurer shall cause the Bonds to be delivered to the Purchaser thereof, upon payment being made therefor on the terms of the sale of the Bonds.

Section 314. Bond Form. Subject to the provisions of this Instrument, each 2014 Bond shall be in substantially the following form, with such omissions, insertions, endorsements, and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Instrument, or be consistent with this Instrument and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:



(Form of Bond)

**TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE**

STATE OF NEVADA  
GENERAL OBLIGATION (LIMITED TAX)  
UNIVERSITY SYSTEM PROJECTS BOND  
(REVENUE SUPPORTED)  
SERIES 2014F

No. _____			Amount
			\$ _____
Interest Rate	Maturity Date	Dated As Of	CUSIP
_____ %	_____		_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

The State of Nevada (the "State" or the "Issuer"), for value received hereby acknowledges itself to be indebted and promises to pay to the registered owner hereof above specified, or registered assigns, the principal amount specified above, on the maturity date specified above (unless called for earlier redemption), and to pay interest thereon on February 1, 2015, and semiannually thereafter on August 1 and February 1 in each year, at the Interest Rate per annum specified above, until the principal sum is paid or payment has been provided therefor. This bond will bear interest from the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the date of this bond. The principal of and redemption premium, if any, on this bond are payable upon presentation and surrender hereof at the principal office of the Issuer's paying agent for the bonds (the "Paying Agent"), presently \_\_\_\_\_ (or such other office as shall be designated by such paying agent), which is also now acting as the Issuer's registrar for the bonds (the "Registrar"). Interest on this bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the person in whose name this bond is registered (the "registered owner") in the registration records of the Issuer maintained by the Registrar and at the address appearing thereon at the close of business on the 15th day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the Person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the Person who is the registered owner hereof at the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed

by the Paying Agent, whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the bonds of the series of which this is one (the "2014 Bonds" and the "bonds") not less than 10 days prior thereto. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent. The principal, redemption premium if any, and the interest on the bonds are herein referred to as the "Bond Requirements."

\*The bonds are issuable solely as fully registered bonds in denominations of \$5,000 each or (subject to certain conditions) any integral multiple thereof and are transferable, or are exchangeable for fully registered bonds of the same maturity in equal aggregate principal amounts and in authorized denominations, at the aforesaid office of the Paying Agent and Registrar but only in the manner, subject to the limitations, and on payment of the charges provided in the resolution of the Board of Regents of the Nevada System of Higher Education (the "Governing Board" or the "Board" and the "System," respectively), passed and adopted on \_\_\_\_\_, 2014, on the behalf and in the name of the State, and authorizing the issuance of the 2014 Bonds (the "Resolution").\*

\*\*The bonds shall not be transferable or exchangeable, except as set forth in the resolution of the Board of Regents of the Nevada System of Higher Education (the "Governing Board" or the "Board" and the "System," respectively), passed and adopted on \_\_\_\_\_, 2014 on the behalf and in the name of the State, and authorizing the issuance of the 2014 Bonds (the "Resolution").

\*The Registrar will 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 prior redemption.\*

The Bonds are subject to redemption prior to their respective maturities as set forth in the Certificate.

\*\*The Bonds shall not be transferable or exchangeable, except as set forth in the Resolution.\*\*

\*\*Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the State or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.\*\*

In the case of the bonds of a denomination larger than \$5,000, a portion of such bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar

shall, except as provided below, without charge to the owner of such bond, authenticate and issue a replacement bond or bonds for the unredeemed portion thereof. Redemption shall be made upon not more than 60 nor less than 30 days' prior notice as provided in the Resolution.

\*\*Upon any partial prior redemption of this bond, Cede & Co., in its discretion, may request the Registrar to authenticate a new bond or shall make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.\*

This bond must be registered in the name of the owner as to both principal and interest in the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this bond shall be valid unless made in the registration records maintained at the principal office of the Registrar by the registered owner or his attorney duly authorized in writing.

\*This bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration records kept by the Registrar upon surrender of this bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this bond, subject to such terms and conditions as set forth in the Resolution.\*

The Issuer, the System the Treasurer and the Paying Agent and Registrar may deem and treat the Person in whose name this bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes and the Issuer, System, the Treasurer and Paying Agent and Registrar shall not be affected by notice to the contrary.

It is hereby certified, recited, and warranted that the total indebtedness of the Issuer, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes ("General Taxes") sufficient to pay the Bond Requirements of this bond when the same become due (except to the extent other money is available therefor), subject to the limitations imposed by the statutes and the Constitution of the State; and that the full faith and credit of the Issuer are irrevocably pledged to the punctual payment of the Bond Requirements of this bond according to its terms.

Pursuant to the act authorizing the issuance of the bonds, adopted as Chapter 514, Statutes of Nevada 2013 and Chapter 507, Statutes of Nevada 2013 (collectively, the "Project Act"), and as supplemented by Sections 463.370 to 463.400, inclusive, Nevada Revised Statutes, and all laws amendatory thereof (the "Slots Tax Act" and "NRS," respectively), by NRS 349.150 through 349.364, and all laws amendatory thereof (the "Bond Act"), and designated in 349.150 thereof as the State Securities Law, the Bond Requirements of the 2014 Bonds are additionally secured by an irrevocable pledge and lien (but neither an exclusive pledge nor an exclusive lien)

of and on certain proceeds derived from and as a part of the State's annual tax on slot machines fixed by NRS 463.385, and credited in part to accounts in the State treasury designated as the Capital Construction Fund for Higher Education, the Special Capital Construction Fund for Higher Education (the "Capital Fund" and the "Special Fund," respectively), and the remainder to the state distributive school account (here irrelevant). The money accounted for in the Capital Fund and the Special Fund constitutes the money pledged for the payment of the 2014 Bonds (the "Gross Revenues").

The faith of the State is pledged that the Project Act, the Slots Tax Act, the Bond Act, and any other law supplemental or otherwise pertaining thereto, and any other act concerning the bonds, the General Taxes, or the Gross Revenues, or any combination thereof, to the extent such acts pertain thereto, shall be neither repealed nor amended nor otherwise directly or indirectly modified in such a manner as to impair adversely any such outstanding securities of the State, until all such securities have been discharged in full or provision has been fully made therefor, including, without limitation, the known minimum yield from the investment or reinvestment of money pledged therefor in federal securities (as defined in NRS 349.174), pursuant to the defeasance provisions in the Resolution.

The 2014 Bonds are equally and ratably secured by a lien on the Gross Revenues. The State currently has outstanding one issue of bonds which has a lien on the Gross Revenues on a parity with the lien thereon of the 2014 Bonds. Additional bonds and other securities, in addition to the 2014 Bonds may be issued and made payable from the Gross Revenues having a lien thereon subordinate and junior or, subject to expressed conditions, on a parity to the lien or, subject to additional expressed conditions, having a lien thereon prior and superior to the lien of the 2014 Bonds, in accordance with the provisions of the Resolution.

The Issuer and the System covenant and agree with the registered owner of this bond and with each and every person who may become the registered owner hereof that each of them will keep and will perform all of the covenants of the Resolution.

This bond is one of an issue of bonds of like tenor and date, except as to number, amount, interest rate and maturity, authorized for certain projects for the Nevada System of Higher Education (as defined in the Resolution).

Reference is made to the Resolution, and to any and all modifications and amendments thereof, to the Project Act, to the Slots Tax Act, to the Bond Act and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the 2014 Bonds, the accounts, funds, or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered owners of the 2014 Bonds with respect thereto, the terms and conditions upon which the 2014 Bonds are issued, and a statement of rights, duties, immunities, and obligations of the Issuer, and other rights and remedies of the registered owners of the 2014 Bonds.

The 2014 Bonds are issued pursuant to the Project Act, the Slots Tax Act and the Bond Act; pursuant to NRS 349.274, this recital is conclusive evidence of the validity of the bonds and the regularity of their issuance; and pursuant to NRS 349.354, the bonds, their

transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to chapter 375B of NRS.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution or any instrument amendatory thereof or supplemental thereto may be amended or otherwise modified by action of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Resolution. The pledge of revenues and other obligations of the Issuer under the Resolution may be discharged at or prior to the respective maturities or prior redemption of the 2014 Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolution.

It is further certified, recited, and warranted that all the requirements of law have been fully complied with by the proper officers of the Issuer in the issuance of this bond; that it is issued pursuant to and in strict conformity with the Constitution and laws of the State, and particularly under the terms and provisions of the Project Act, the Slots Tax Act, the Bond Act and all laws supplemental thereto, and with the Resolution; and that this bond does not contravene any constitutional or statutory limitation.

No recourse shall be had for the payment of the Bond Requirements of this bond or for any claim based thereon, or otherwise, upon the Resolution or other instrument pertaining thereto, against any individual regent of the Governing Body, or any officer or other agent of the System, the Issuer or the Treasurer, past, present, or future, either directly or indirectly through the Governing Body, the System, the Issuer or the Treasurer, 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 this bond and as a part of the consideration of its issuance specially waived and released.

This bond shall neither be entitled to any security or benefit under the Resolution, nor be valid or become obligatory for any purpose until a duly authorized officer of the Registrar shall have manually signed the Registrar's certificate of authentication hereon.

IN WITNESS WHEREOF, the Board of Regents of the Nevada System of Higher Education, on behalf and in the name of the State of Nevada, in cooperation with the State Treasurer with the approval of the State Board of Finance, has caused this bond to be approved, signed, and executed in the name and upon the behalf of the State with the manual or facsimile signature of the Governor of the State, to be countersigned with the manual or facsimile signature of the Controller of the State, the Chairman of the Board, and the Chancellor and ex officio Treasurer of the System, and the Treasurer of the State; has caused the manual or facsimile impression of the seal of the State to be affixed hereon; and has caused this bond to be signed, executed, and attested with the manual or facsimile signature of the Secretary of State; all as of the dated date set forth above.

STATE OF NEVADA  
Approved and Signed:

\_\_\_\_\_  
Governor of the  
State of Nevada

(SEAL)  
Attest:

Countersigned:

\_\_\_\_\_  
Secretary of State

\_\_\_\_\_  
State Controller

Countersigned:

Countersigned:

\_\_\_\_\_  
Chairman, Board of Regents  
Nevada System of Higher  
Education

\_\_\_\_\_  
Chancellor and  
ex officio Treasurer  
Nevada System of Higher Education

Countersigned:

\_\_\_\_\_  
State Treasurer

- \* Insert only if 2014 bonds are delivered pursuant to Section 306(A)(3).
- \*\* Insert only if 2014 bonds are initially delivered to DTC.

(End of Form of Bond)

(Registrar's Certificate of Authentication for Bonds)

Date of authentication  
and registration: \_\_\_\_\_

This is one of the bonds described in the within mentioned Resolution, and this bond has been duly registered on the registration records kept by the undersigned as Registrar for such bonds.

\_\_\_\_\_,  
as Registrar

\_\_\_\_\_  
Authorized Representative

(End of Registrar's Certificate of Authentication for Bonds)

(Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the Issuer, in accordance with the terms of the Resolution authorizing the issuance of this Bond.

<u>Date of Prepayment</u>	<u>Maturity Date of Principal Prepaid</u>	<u>Principal Amount Prepaid</u>	<u>Signature of Authorized Representative of DTC</u>

(End of Form of Prepayment Panel)

(Form of Assignment for Bonds)

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the same on the books kept for registration of the within bond, with full power of substitution in the premises.

\_\_\_\_\_  
Dated: \_\_\_\_\_

Signature Guaranteed:

Name and address of transferee:

Social Security or other tax  
identification number of  
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment for Bonds)



## ARTICLE IV

### USE OF BOND PROCEEDS AND PROJECT

Section 401. Disposition of Bond Proceeds. The net proceeds of the Bonds, upon the receipt thereof at any time or from time to time, shall be accounted for in the following manner and priority and are hereby pledged therefor:

A. Capitalized Interest Account. First, there shall be credited to the special and separate account hereby created and established to be known as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F Capitalized Interest Account " (the "2014 Capitalized Interest Account"), to be held by the System, an amount sufficient to pay accrued interest on the Bonds to February 1, 2017. Such amounts may be withdrawn by the System without further order or direction of the Issuer or the Treasurer and be deposited in the 2014 Bond Fund and used to pay accrued interest when due on the Bonds to February 1, 2017.

B. Costs of Issuance Account. Second, there shall be credited to the special and separate account hereby created in the State treasury to be known as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F Costs of Issuance Account" (the "2014 Costs of Issuance Account"), to be held by the Treasurer, an amount necessary to pay the costs of issuance on the Bonds. Any amounts remaining after payment of all costs of issuance of the Bonds shall be transferred to the 2014 Bond Fund.

C. Acquisition Account. Third, the remaining net proceeds of the Bonds shall be credited to the following special and separate account, hereby created and established, to be known as the "State of Nevada, General Obligation (Limited Tax) University System Projects Bonds, Series 2014F Acquisition Account" (the "2014 Acquisition Account") to be held by the System to be used to pay the Cost of the Project.

Section 402. Moneys for Project. The money in the 2014 Acquisition Account, except as herein otherwise expressly provided, shall be used and paid out solely for the purpose of defraying the Cost of the Project.

Section 403. Application of 2014 Acquisition Account. Except as herein otherwise expressly provided, moneys shall be withdrawn from the 2014 Acquisition Account to defray the Cost of the Project, only as directed by the Governing Body, by warrant drawn and countersigned by the System Treasurer, in the same manner that other claims against the System are presented and paid.

Section 404. Completion of Project. When the Project shall have been completed in accordance with the plans and specifications, and when all amounts due therefor, including, without limitation, all proper incidental expenses, shall have been paid, or full provision for which shall have been made, the System Treasurer shall cause to be transferred all surplus moneys remaining in the 2014 Acquisition Account, except for any moneys designated in

an instrument to be retained to pay any unpaid accrued costs or contingent obligations, to the 2014 Bond Fund for the payment of the Bond Requirements of the Outstanding Bonds payable from all or a part of the Gross Pledged Revenues, pursuant to NRS 349.296, as provided in such instrument of the Governing Body. Upon such transfers of all moneys out of the 2014 Acquisition Account, it shall be terminated. Nothing herein:

A. Periodic Transfers. Prevents the System Treasurer from causing to be transferred from the 2014 Acquisition Account at any time prior to the termination of the 2014 Acquisition Account any moneys which will not be necessary for the Project to the 2014 Bond Fund, as permitted by NRS 349.296, as provided in such instrument, or

B. Limitations Upon Transfers. Requires the transfer to the 2014 Bond Fund of any surplus moneys (other than 2014 Bond proceeds) received as grants, appropriations, or gifts the use of which moneys is limited by the grantor or donor to the construction of specifically designated capital improvements or otherwise so that such surplus moneys (other than 2014 Bond proceeds) may not be properly transferred to any such fund or account under the terms of such grants, appropriations or gifts.

Section 405. Purchasers Not Responsible. The validity of the 2014 Bonds shall neither be dependent upon nor be affected by the validity or regularity of any proceedings relating to the Project. The Purchaser of the 2014 Bonds, any associate thereof, and any subsequent Owner of the bonds shall in no manner be responsible for the application or disposal by the System or the Issuer or by any of the officers, agents, and employees of the System or the Issuer of the moneys derived from the sale of the 2014 Bonds or of any other moneys herein designated.

Section 406. Certain Lien on Bond Proceeds. Unless and until the other proceeds of the 2014 Bonds are applied as hereinabove provided and used to defray the other Costs of the Project (i.e., paying costs of issuance) from time to time, or are encumbered therefor, such Bond proceeds shall be subject to a lien thereon and pledge thereof for the benefit of the holders of the Bonds from time to time as provided in Section 601 hereof.

## ARTICLE V

### GENERAL TAXES

Section 501. Consolidated Fund. Pursuant to NRS 349.236, payment of the Bond Requirements of the 2014 Bonds shall be made from the Consolidated Bond Interest and Redemption Fund of the State, under the provisions of NRS 349.080 through 349.140, except to the extent provision is otherwise made for such payment as elsewhere provided herein.

Section 502. General Tax Levies. Pursuant to NRS 349.242, any Bond Requirements falling due on the Bonds before the date of delivery of the 2014 Bonds, shall be paid out of the Special Fund or the Capital Fund, or if necessary, the general fund of the State or out of any other funds that may be available for such purpose; and for the purpose of repaying any money so paid from any such fund or funds (other than any money accounted for in either or

both the Special Fund and the Capital Fund or any money otherwise available for the payment of such Bond Requirements on other than a temporary basis), and for the purpose of creating accounts in the State Treasury for the payment of the Bond Requirements of the 2014 Bonds, there are hereby created two funds, to be designated as the "State of Nevada, General Obligation University System Projects Bonds, Series 2014F, General Tax Principal Fund" (the "General Tax Principal Fund") and as the "State of Nevada, General Obligation University System Projects Bonds, Series 2014F, General Tax Interest Fund" (the "General Tax Interest Fund"), respectively; pursuant to NRS 349.238, there must be levied immediately after the issuance of the Bonds and annually thereafter to the extent other monies are not available until all the Bond Requirements of the Bonds shall have been fully paid, satisfied, and discharged, a General Tax on all property, both real and personal, subject to taxation within the boundaries of the State, fully sufficient, together with the revenue which will result from application of the rate to the net proceeds of minerals, to reimburse such fund or funds for such installments of interest, to pay the interest on and any prior redemption premiums due in connection with the Bonds, and to pay and retire the same as hereinabove provided, without regard to any statutory tax limitations now or hereafter existing (other than the limitation in NRS 361.453), and after there are made due allowances for probable delinquencies. The proceeds of such annual levies shall be duly credited to such separate accounts for the payment of such Bond Requirements. In the preparation of the annual budget for the State, the State Legislature shall first make proper provisions through the levy of sufficient General Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the State, including, without limitation, the Bonds, subject to the limitations imposed by NRS 361.453 and by section 2, article 10, State Constitution, and the amount of money necessary for this purpose shall be a first charge against all the revenues received by the State.

Section 503. Priorities for Bonds. As provided in NRS 361.463, in any year in which the total General Taxes levied against the property in the State by all overlapping units within the boundaries of the State exceed the limitations imposed by NRS 361.453 (or a lesser or greater amount fixed by the State board of examiners if the State board of examiners is directed by law to fix a lesser or greater amount for that Fiscal Year as provided in NRS 361.453) and imposed by Section 2, Article 10, State Constitution, and it shall become necessary by reason thereof to reduce the levies made by any and all such units, the reductions so made shall be in Taxes levied by such unit or units (including, without limitation, the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of such bonded indebtedness and the interest thereon enjoy a priority over General Taxes levied by each such unit (including, without limitation, the State) for all other purposes where reduction is necessary in order to comply with the limitations of NRS 361.453 or Section 2, Article 10, State Constitution.

Section 504. Correlation of Levies. Such General Taxes shall be levied and collected in the same manner and at the same time as other Taxes are levied and collected, and the proceeds thereof for the 2014 Bonds shall be kept by the Treasurer in the General Tax Principal Fund and in the General Tax Interest Fund, respectively, which shall be used for no other purpose than the payment of principal of and interest on the 2014 Bonds, respectively, as the same fall due.

Section 505. Use of General Fund. Any sums becoming due on the 2014 Bonds at any time when there are on hand from such tax levy or levies (and any other available money) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the State, reimbursement to be made for such general funds in the amounts so advanced when the Taxes herein provided for have been collected, pursuant to NRS 349.242.

Section 506. Use of Other Funds. Nothing herein, however, prevents the State from applying any funds (other than Taxes) that may be available for that purpose to the payment of such interest or principal as the same, respectively, become due, including, without limitation, the payment of the 2014 Bonds as provided in Article VI hereof; and upon such payment, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 349.244.

Section 507. Legislative Duties. In accordance with NRS 349.238 through 349.246, it shall be the duty of the State Legislature, at the time and in the manner provided by law for levying annually other General Taxes of the State, if such action is necessary to effectuate the provisions of this Instrument, to ratify and carry out the provisions hereof with reference to the levy and collection of Taxes; and the State Legislature shall require the officers of the State to levy, extend, and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the principal of the 2014 Bonds and the interest thereon. Such Taxes when collected shall be kept for and applied only to the payment of the principal of and the interest on the 2014 Bonds as hereinabove provided.

Section 508. Appropriation of Taxes. In accordance with NRS 349.248, there is hereby specially appropriated the proceeds of such General Taxes to the payment of such principal of and interest on the 2014 Bonds; and such appropriations shall neither be repealed nor the General Taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the 2014 Bonds have been wholly paid.

## ARTICLE VI

### ADMINISTRATION OF AND ACCOUNTING FOR GROSS REVENUES

Section 601. Equality of Bonds; Pledge of Revenues. The Bonds and all parity bonds shall be equally secured by the Gross Revenues. All outstanding and future superior lien obligations, whether a general obligation bond or note or a bond or note payable solely from Gross Revenues, shall have priority with respect to payment of Bond Requirements out of the Gross Revenues over the Bonds herein ordered issued (and over any future obligations of the State issued with a lien on such Gross Revenues which is on a parity to the lien thereon of the Bonds). Any other future bonds or notes of the State hereafter issued on a parity with the outstanding superior lien obligations shall have a like priority.

Section 602. Annual Slot Machines Taxes. The State, among other slot machine taxes, levies, and shall continue to levy, as long as any 2014 Bonds and any other securities payable from the Gross Revenues hereafter authorized to be issued, are issued, and remain Outstanding, by NRS 463.385 an annual slot machine tax for each Fiscal Year of \$250.00 per

machine payable annually on or before the next preceding June 20, except for any such machine which begins operation in the Fiscal Year, the tax on which is prorated monthly after July 31 and is payable before the machine is put into play; and the proceeds of such tax are allocated to three accounts in the State treasury, on or before July 31 in the Fiscal Year, to the extent practicable to do so, the first \$5,000,000.00 of the tax proceeds in the Capital Fund, 20% of the tax proceeds in the Special Fund, and, irrelevantly, the remainder in the state distributive school account. Proceeds of the tax received with respect to a Fiscal Year prior to July 1 of that Fiscal Year shall be deemed to be deposited in the Capital Fund or the Special Fund, or both such accounts, as the case may be, on July 1 of that Fiscal Year.

Section 603. Accounts and Funds. There have been established the following separate funds:

(1) PROJECT OPERATIONS AND MAINTENANCE FUND (the "1985 O&M Fund") created by the resolution (the "1985 Bond Resolution") authorizing State of Nevada General Obligation (Limited Tax) University System Projects Refunding Bonds (Additionally Secured with Pledged Revenues), Series 1985;

(2) 2005G GENERAL OBLIGATION (LIMITED TAX) UNIVERSITY SYSTEM REFUNDING BONDS (REVENUE SUPPORTED), SERIES 2005G, BOND FUND (the "2005 Bond Fund");

(3) 2005G GENERAL OBLIGATION (LIMITED TAX) UNIVERSITY SYSTEM REFUNDING BONDS (REVENUE SUPPORTED), SERIES 2005G, REBATE FUND (the "2005 Rebate Fund").

There are in this Resolution established the additional special funds designated:

(6) GENERAL OBLIGATION (LIMITED TAX) UNIVERSITY SYSTEM PROJECTS BONDS (REVENUE SUPPORTED), SERIES 2014F BOND FUND (the "2014 Bond Fund");

(7) GENERAL OBLIGATION (LIMITED TAX) UNIVERSITY SYSTEM PROJECTS BONDS (REVENUE SUPPORTED), SERIES 2014F REBATE FUND (the "2014 Rebate Fund").

Section 604. 1985 O&M Fund and Bond Funds. The purpose of the 1985 O&M Fund is to pay a portion of maintenance expenses of certain projects financed with bonds to which the Gross Revenues were pledged. The purpose of the 2005 Bond Fund and the 2014 Bond Fund is to insure the payment when due and payable, of the Bond Requirements of the 2005 Bonds and the 2014 Bonds, respectively.

Gross Revenues required to be transferred for Bond Requirements by the terms of the resolutions authorizing the parity lien bonds shall continue to be set aside from the Gross Pledged Revenues and transferred to the bond funds for the parity lien bonds. Concurrently with the transfer to the 2005 Bond Fund there shall be transferred to and placed in the 2014 Bond Fund, forthwith after the delivery of the 2014 Bonds, and thereafter by July 31 of each Fiscal Year, and prior to any encumbrance, any expenditure, or any transfer for any purpose of such tax proceeds credited to the Special Fund and the Capital Fund for any Fiscal Year (except the transfer for superior lien obligation Bond Requirements), firstly, from the Special Fund, and secondly, if necessary, to the extent necessary, from the Capital Fund, Gross Revenues in an amount sufficient to pay when due in the Fiscal Year the Bond Requirements of the Bonds (except to the extent such requirement is capitalized, and except to the extent any other money accounted for in the 2014 Bond Fund prior to such annual deposit therein is available to pay such requirement). Bond Requirements of any bonds hereafter issued on a parity with the Bonds may be paid concurrently with the Bond Requirements of the Bonds. Bond requirements of any subordinate bonds shall be paid after the Bond Requirements for superior lien obligations, the Bonds, and parity lien obligations are paid, but before the payments described in the following paragraph. The Bond Requirements shall be promptly paid as the same become due from time to time from the money provided therefor.

After the deposit of the Bond Requirements for the parity lien bonds to the 2005 Bond Fund and for the 2014 Bonds to the 2014 Bond Fund, and after any Bond Requirements for bonds hereafter issued on a parity with the 2005 Bonds and the 2014 Bonds are paid, and after any Bond Requirements for subordinate bonds hereafter issued are paid, the amounts designated for deposit to the 1985 O&M Fund shall continue to be so deposited in accordance with the bond resolution authorizing the 1985 Bonds. In addition, for each Fiscal Year, commencing July 1, 2013, after there is compliance with the first paragraph of Section 603 hereof, and except to the extent any remaining revenues in either or both the Capital Fund and the Special Fund have been otherwise appropriated by the State legislature, pursuant to subsection 5 of Section 463.385 of the Slots Tax Act, from the surplus Gross Revenues remaining in either or both of these two accounts the Issuer must transfer and deposit annually by July 31 of each Fiscal Year, firstly from the Special Fund and secondly, if necessary, to the extent necessary from the Capital Fund, the amount equal to the savings realized in the Fiscal Year in the payment of the Bond Requirements due therein from any refundings, to and in the 1985 O&M Fund, for use as described in the bond resolution authorizing the 1985 Bonds.

Section 605. Termination of Deposits. No payment need be made into the 2014 Bond Fund if the amount therein totals a sum at least equal to the entire amount of the Outstanding 2014 Bonds then Outstanding as to all Bond Requirements, to their respective maturities or to any Redemption Date or Redemption Dates on which the Issuer shall have exercised or shall have obligated itself to exercise its option to redeem prior to their respective maturities the 2014 Bonds (or any part thereof) then Outstanding and thereafter maturing, and both accrued and not accrued, in which case money in that account in an amount, except for any interest or other gain to accrue from any investment of money in Federal Securities pursuant to Article VII hereof from the time of any such investment to the time or respective times the proceeds of any such investment or deposit shall be needed for such payment, at least equal to

such Bond Requirements, shall be used together with any such gain from such investments solely to pay such Bond Requirements as the same become due; and any money in excess thereof in that account and any other money derived from the Gross Revenues may be used in any lawful manner determined by the Governing Body.

Section 606. Defraying Delinquencies. If at any time for any reason the full amount above stipulated from the Gross Revenues shall not be paid into the 2014 Bond Fund, then the difference between the amount paid and the amount so stipulated shall be paid therein from the first Gross Revenues thereafter received and accounted for in either or both the Special Fund and the Capital Fund not needed for Bond Requirements on superior lien obligations. The money in the 2014 Bond Fund shall be used solely and only for the purpose of paying the Bond Requirements of the 2014 Bonds; but any money in the 2014 Bond Fund in excess of the Bond Requirements, both accrued and not accrued, to the respective maturities or any designated Redemption Date or Redemption Dates of the Outstanding 2014 Bonds, whichever due date is the earlier, if any, for any security, may be used as hereinabove provided in 605 hereof.

Section 607. Payment of Subordinate Securities. Subject to the provisions hereinabove in this article, and subsequent to the payments required by 604 hereof except payments in to the 1985 O&M Fund, as provided in Article VIII hereof, any money remaining in the Special Fund and the Capital Fund may be used by the Issuer for the payment of Bond Requirements of additional subordinate bonds or other additional subordinate securities payable from Gross Revenues and hereafter authorized to be issued in accordance with Article VIII and other provisions herein supplemental thereto, including any reasonable reserves for such securities, as the same accrue; but the lien of such additional subordinate bonds or other additional subordinate securities on the Gross Revenues and the pledge thereof for the payment of such additional securities shall be subordinate to the lien and pledge of the 2014 Bonds and any parity securities, as herein provided. (Payments into a bond fund for any additional parity bonds and any other additional parity securities hereafter authorized to be issued shall be made simultaneously with payments into the 2005 Bond Fund and the 2014 Bond Fund as provided in Section 604 hereof.)

Section 608. Use of Remaining Revenues. After the payments hereinabove required to be made by 604 through 607 hereof are made, at the end of any Fiscal Year or whenever in the Fiscal Year such payments to be made therein have been made, any remaining Gross Revenues in the Capital Fund and the Special Fund may be used for any one or any combination of lawful purposes.

Section 609. 2014 Rebate Fund. There shall be credited to a special and separate account hereby created and designated as the "2014 General Obligation (Limited Tax) University System Projects Bonds (Revenue Supported), Series 2014F, Rebate Fund (the "2014 Rebate Fund"), investment income derived from the 2014 Bond Fund, and any other fund or account pertaining to the Project, as designated by the Board, such amounts as are required to be deposited therein to meet the State's obligations under the covenant contained in 918 hereof, in accordance with 148(f) of the Tax Code. Such deposits shall be made at such times as are required by Section 148(f) of the Tax Code and such covenant and amounts in the 2014 Rebate

Fund shall be used for the purposes of making the payments to the United States required by such covenant and Section 148(f) of the Tax Code.

## ARTICLE VII

### GENERAL ADMINISTRATION

Section 701. Administration of Accounts. The separate accounts and subaccounts designated in Articles IV and VI hereof shall be administered as provided in this article.

Section 702. Places and Times of Deposits. Each of the separate accounts and subaccounts in the System treasury or the State treasury hereinabove created in Articles IV and VI hereof shall be maintained as a book account and kept separate from all other accounts as a trust account solely for the purposes herein designated therefor. The money accounted for in such separate book accounts and any subaccounts shall be deposited in one bank account or more as provided in 703 A hereof, except as herein otherwise provided. Nothing herein prevents the commingling of money accounted for in any two or more book accounts pertaining to the Gross Revenues, proceeds of securities, other money, or to the fund pertaining thereto and any other funds of the System or the Issuer (each of which funds consists of a self-balancing group of accounts and constitutes an independent fiscal and accounting entity) in any bank account or any investment in Federal Securities hereunder (but not any account under Section 1001 hereof). Each such bank account in the System treasury shall be secured by the official bond or bonds of the System Treasurer, and each such bank account in either the State treasury or the System treasury shall be continuously secured to the fullest extent required or permitted by the laws of the State for the securing of public funds, and shall be irrevocable and not withdrawable by anyone for any purpose other than the purpose or purposes designated therefor. Each periodic payment shall be credited to the proper book account not later than the date therefor herein designated, except that when any such date shall be a Saturday, Sunday, or a legal holiday, then such payment shall be made on or before the next preceding secular day. Notwithstanding any other provision herein to the contrary, money shall be deposited with the Paying Agent, and any other commercial bank designated as a paying agent for any securities hereafter authorized to be issued and payable from Gross Revenues (or any combination thereof), at least by the day of each interest payment date herein designated sufficient to pay the Bond Requirements then becoming due on the Outstanding 2014 Bonds, while any 2014 Bonds remain Outstanding.

Section 703. Investment of Money. Any moneys in any account in the System treasury or the State treasury created in Articles IV and VI hereof, except any account under Section 1001 hereof, and not needed for immediate use, may be invested or reinvested in accordance with written or verbal instructions of the System Treasurer or the State Treasurer, as the case may be, or their designees, except as otherwise expressly stated herein:

A. Bank Deposits. By deposit in one or more commercial banks (or any combination thereof) as hereinafter provided in 706 hereof, and

B. Federal Securities. In Federal Securities which:



(1) Optional Redemption. Either shall be subject to redemption at any time at a fixed value by the holder thereof at the option of such holder, or

(2) Scheduled Maturities. Shall mature not later than the date or respective dates on which the proceeds are to be expended as estimated by the System Treasurer or the State Treasurer or their designees upon each date of such investment or reinvestment,

but Federal Securities shall mature from the date of such investment or reinvestment not later than the time hereinafter designated for the account, as follows:

<u>Account</u>	<u>Maximum Period</u>
The 2014 Bond Fund	one year

but in no event exceeding the estimated date or dates of expenditure of any money so invested. For the purpose of any such investment or reinvestment, Federal Securities shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligations.

Section 704. Accounting for Investments. The Federal Securities so purchased as an investment or reinvestment of money in any such account shall be deemed at all times to be a part of the account and held in trust therefor. Except as herein otherwise provided, including, without limitation, the provisions of Section 1001 hereof, any interest or other gain in any account from any investments and reinvestments in Federal Securities and from any deposits of money in the 2014 Bond Fund; but any such gain from investments or reinvestments of money accounted for in the 2014 Bond Fund shall be credited to the 2014 Bond Fund. Notwithstanding the foregoing, to the extent required by the covenant in Section 918, interest income and other gains held in the 2014 Bond Fund and any other fund or account pertaining to the Project, as designated by the Board, shall be transferred to the 2014 Rebate Fund.

No loss or profit in any account on any investments or reinvestments in Federal Securities or any certificates of deposit shall be deemed to take place as a result of fluctuations in the market quotations of the investments, reinvestments, or certificates prior to the sale or maturity thereof, except for any adjustments based on semiannual revaluations of market value as hereinafter provided in this section as to any investments or reinvestments which shall not become due for payment prior to the estimated date or dates on which the proceeds thereof are estimated to be needed for expenditure. In the computation of the amount in any account for any purpose hereunder, except as herein otherwise expressly provided, Federal Securities and certificates of deposit shall be valued at the cost thereof (including an amount paid as accrued interest at the time of purchase of the obligation) and other bank deposits shall be valued at the amounts deposited, exclusive of any accrued interest or any other gain to the Issuer until such gain shall be realized by the presentation of matured coupons for payment, by the receipt by the Treasurer from a depository bank of a statement of interest credited to the account, or otherwise; but at least as long as any of the 2014 Bonds remain Outstanding investments and reinvestments

in Federal Securities and in certificates of deposit shall be revalued in terms of current market value prior to each interest payment date. The expenses of purchase, safekeeping, sale, and all other expenses incident to any investment or reinvestment of money pursuant to this article shall be accounted for as general operation and maintenance expenses of the System and shall not be defrayed with any Gross Revenues.

Section 705. Redemption or Sale of Investment Securities. The System Treasurer or the State Treasurer, as the case may be, or their designees shall present for redemption at maturity or sale on the prevailing market at the best price obtainable any Federal Securities and certificates of deposit so purchased as an investment or reinvestment of money in any account whenever it shall be necessary so to do in order to provide money to meet any withdrawal, payment, or transfer from such account. None of the System Treasurer, the State Treasurer or any other officer of the System, nor any other officer of the Issuer, shall be liable or responsible for any loss resulting from any such investment or reinvestment made in accordance with this Instrument. The System Treasurer shall promptly notify the State Treasurer, the State Controller, and the Governing Body of any gain or loss in any account which he holds and controls.

Section 706. Character of Funds. The money in any account herein authorized shall consist either of lawful money of the United States or Federal Securities, or both such money and such securities. Money deposited in a demand or time deposit account in or evidenced by a certificate of deposit of the Paying Agent or any other commercial bank, pursuant to Section 702 hereof, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 707. Accelerated Payments. Nothing contained in Article VI hereof prevents the accumulation in any account herein designated of any monetary requirements at a faster rate than the rate or minimum rate, as the case may be, provided in Article VI; but no payment shall be so accelerated if such acceleration shall cause the Governing Body to default in the payment of any obligation of the Issuer or the System pertaining to Gross Revenues. Nothing herein requires in connection with Gross Revenues received in any Fiscal Year the accumulation in any account for the payment in the Fiscal Year of Bond Requirements due in connection with any series of bonds or other securities payable from Gross Revenues and herein or hereafter authorized, in excess of such Bond Requirements due in the Fiscal Year, or of any reserves then required to be accumulated and maintained therefor, and of any existing deficiencies, and payable from such account, as the case may be, except as may be otherwise provided herein.

Section 708. Payment of Bond Requirements. The money credited to any account designated in Articles IV and VI hereof for the payment of the Bond Requirements due in connection with any series of bonds or other securities payable from Gross Revenues and herein or hereafter authorized shall be used, without requisition, voucher, warrant, further order, or authority (other than is contained herein), or any other preliminaries, to pay promptly the Bond Requirements payable from such account as such securities become due, upon the respective Redemption Dates, if any, on which the Issuer is obligated to pay such securities, or

upon the respective principal and interest fixed maturity dates of such securities, as provided therefor herein, or otherwise, except to the extent any other money are available therefor, including, without limitation, money accounted for in the 2014 Bond Fund.

Section 709. Payment of Redemption Premiums. Notwithstanding any other provision herein, this Instrument requires the accumulation in any account designated in Article IV or VI hereof for the payment of any issue of bonds or other securities payable from the Gross Revenues of amounts sufficient to pay not only the principal thereof and interest thereon but also the prior redemption premiums due in connection therewith, as the same become due, whenever the Issuer shall have called or shall have obligated itself to call any security for prior redemption except to the extent provision is otherwise made therefor, if any prior redemption premiums are due in connection therewith. In such event money shall be deposited in such account in due season for the payment of all such Bond Requirements without default as the same become due.

## ARTICLE VIII

### SECURITIES LIENS AND ADDITIONAL AND OUTSTANDING SECURITIES

Section 801. Prior Lien Bonds. The Bonds and Outstanding Parity Bonds authorized herein, constitute an irrevocable and prior lien (but not necessarily an exclusive lien) upon the Gross Pledged Revenues.

Section 802. Issuance of Parity Lien Bonds. Nothing herein prevents the issuance by the State of additional bonds payable from the Gross Pledged Revenues and constituting a lien thereon on a parity with, the lien thereon of the Bonds, nor prevents the issuance of bonds or other securities refunding all or a part of the Bonds but before any such additional parity bonds or other parity obligations are authorized or actually issued:

A. Absence of Default. At the time of the adoption of the supplemental resolution authorizing the issuance of the additional bonds or other obligations the State and the System shall not be in default in making any payments required into the debt service, sinking or reserve funds for any outstanding obligations.

B. Historic Earnings Test. The Gross Revenues derived for the Fiscal Year immediately preceding the date of the issuance of the additional parity securities proposed to be issued and credited to the Special Fund (but not the Capital Fund), shall have been at least sufficient to pay an amount at least equal to 100% of the combined maximum annual principal and interest requirements to be paid during any one Fiscal Year of any Outstanding 2014 Bonds, any other Outstanding securities of the Issuer which have a lien on Gross Revenues on a parity with the lien thereon of the Bonds, and the bonds, notes or other securities proposed to be issued (including any reserves therefor), except as hereinafter otherwise expressly provided.

C. Adjustment of Pledged Revenues. In any computation of such earnings tests as to whether or not additional parity securities may be issued as provided in subsection B of this section, the amount of the Gross Revenues for the next preceding Fiscal Year shall be decreased and may be increased by the amount of loss or gain estimated by an Independent Accountant or the Vice Chancellor resulting from any change in the slot machines tax proceeds, whether a change in the amount periodically paid per slot machine, or the portions of the collections thereof credited to either or both the Capital Fund and the Special Fund, or otherwise, during the next preceding Fiscal Year, as if the schedule of such modified slot machine tax proceeds had been in effect during the entire next preceding Fiscal Year, if such change shall have been made by the State or the Governing Body, or both the State and the Governing Body, prior to such computation of the designated earnings test but made in the same Fiscal Year in which such computation is made or in the next preceding Fiscal Year.

D. Reduction of Annual Requirements. The respective annual Bond Requirements (including as such a requirement for the purposes of this section the

amount of any prior redemption premiums due on any prior redemption date as of which the Issuer shall have called or shall have obligated itself to call for prior redemption by a call of securities for payment then) shall be reduced to the extent such Bond Requirements are scheduled to be paid in each of the respective Fiscal Years with money held in trust or in escrow for the purpose by any trust bank within or without the State, including the known minimum yield from any investment in Federal Securities.

Section 803. Certification of Revenues. A written certification or written opinion by an Independent Accountant or the Vice Chancellor that such annual revenues, when adjusted as hereinabove provided in subsections C and D of Section 802 hereof, are sufficient to pay such amounts, as provided in subsection B of Section 802 hereof, shall be conclusively presumed to be accurate in determining the right of the Issuer to authorize, issue, sell, and deliver additional bonds or other additional securities on a parity with the 2014 Bonds.

Section 804. Subordinate Securities Permitted. Nothing herein prevents the Issuer from issuing additional bonds or other additional securities payable from the Gross Revenues and having a lien thereon subordinate, inferior, and junior to the lien thereon of the 2014 Bonds.

Section 805. Superior Obligations Prohibited. Nothing herein permits the Issuer to issue additional bonds or additional securities payable from the Gross Revenues and having a lien thereon prior and superior to the lien thereon of the Bonds.

Section 806. Use of Proceeds. The proceeds of any additional bonds or other additional securities (other than funding or refunding securities) payable from the Gross Revenues shall be used only to pay the cost of a project, including, without limitation, incidental expenses, for the betterment, enlargement, extension, other improvement, and equipment of the facilities pertaining to the System, or any combination thereof.

Section 807. Issuance of Refunding Securities. At any time after the 2014 Bonds, or any part thereof, are issued and remain Outstanding, if the Governing Body and the Treasurer shall find it desirable to refund any Outstanding Bonds or other Outstanding securities payable from and constituting a lien upon the Gross Revenues, such bonds or other securities, or any part thereof, may be refunded only if the bonds or other securities at the time or times of their required surrender for their payment shall then mature or shall be then callable for prior redemption for the purpose of refunding them at the Issuer's option upon proper call, unless the owner or owners of all such Outstanding securities consent to such surrender and payment, regardless of whether the priority of the lien for the payment of any refunding securities on the Gross Revenues is changed (except as provided in Sections 805 and 808 through 811 hereof).

Section 808. Limitations Upon Refundings. Any refunding bonds or other refunding securities payable from the Gross Revenues must be issued with such details as the Governing Body and the Treasurer may by instrument provide and subject to the inclusion of any such rights and privileges designated in Section 809 hereof, but without any impairment of any contractual obligation imposed upon the Issuer by any proceedings authorizing the issuance of any one or more outstanding issues, including, without limitation, the 2014 Bonds.

Section 809. Partial Refundings. The refunding bonds or other refunding securities so issued shall enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded; and the holder or holders of such refunding securities shall be subrogated to all the rights and privileges enjoyed by the holder or holders of the unrefunded securities of the same issue partially refunded by the refunding securities.

Section 810. Protection of Securities Not Refunded. If only a part of the Outstanding bonds and other Outstanding securities of any issue or issues payable from the Gross Revenues is refunded, then such securities must not be refunded without the consent of the holder or holders of the unrefunded portion of such securities:

A. Requirements Not Increased. Unless the refunding bonds or other refunding securities do not increase for any Fiscal Year the aggregate principal and interest requirements evidenced by such refunding securities and by the Outstanding securities not refunded on and prior to the last maturity date or last Redemption Date, if any, whichever time is earlier, if any, of such unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Gross Revenues is not raised to a higher priority than the lien thereon of the bonds or other securities thereby refunded; or

B. Subordinate Lien. Unless the lien on any Gross Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or

C. Historic Earnings Test. Unless the refunding bonds are issued in compliance with Section 802 hereof (including subsections A through D thereof) and Section 803 hereof, but excluding from any computation thereunder the bonds to be refunded and redeemed and which shall forthwith upon the issuance of the refunding bonds be no longer Outstanding.

Section 811. Accumulating Revenues for Payments. In connection with each issue of additional parity securities hereafter authorized, if any, money fully sufficient for the payment of each installment of interest and each installment of principal and any amount required to be deposited into any reserve account (except to the extent any other money is available therefor) shall be withdrawn from the Gross Revenues, firstly, from the Special Fund, and secondly, if necessary, to the extent necessary, from the Capital Fund, and credited to and accumulated in a bond fund in accordance with Section 604 hereof prior to each principal installment payment date in each Fiscal Year, or if there is none in the Fiscal Year in which the additional parity securities are issued, prior to the first and any succeeding interest payment dates prior to the first principal payment date, commencing prior to the first interest installment payment date (whether or not any installment of principal also then becomes due) following the issuance of the additional parity securities.

## ARTICLE IX

### MISCELLANEOUS PROTECTIVE COVENANTS

Section 901. General. The Issuer and the System hereby particularly covenant and agree with the Owners of the Bonds and makes provisions which shall be a part of their contract with such Owners to the effect and with the purpose set forth in the following provisions and sections of this article.

Section 902. Performance of Duties. The Issuer and the System, acting by and through the Governing Body or otherwise, shall faithfully and punctually perform or cause to be performed all duties with respect to the Gross Revenues required by the constitution and laws of the State and the various instruments and other documents of the Issuer or the System, including, without limitation, the making and collection of the slot machines tax proceeds, as herein provided, and the proper segregation of the proceeds of the 2014 Bonds, any other securities pertaining to the System, and the Gross Revenues, and their application from time to time to the respective accounts provided therefor.

Section 903. Contractual Obligations. The Issuer and the System shall perform all contractual obligations undertaken by them under the contract to purchase the 2014 Bonds with the Purchaser and any other agreements relating to the 2014 Bonds, any such other securities or the Project, (or any combination thereof) with all other Persons.

Section 904. Further Assurances. At any and all times the Issuer, acting by and through the Governing Body except when otherwise required or possibly permitted by law, and the System shall, so far as they may respectively be authorized by law, pass, make, do, execute, acknowledge, deliver, and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents, and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning, and confirming all and singular the rights, the Gross Revenues, and other money and accounts hereby pledged or assigned, or intended so to be, or which the Issuer or the System, or both, may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Instrument and to comply with the Project Act, the Slots Tax Act and the Bond Act. The System and the Issuer, acting by and through the Governing Body, or otherwise, shall at all times, to the extent permitted by law, defend, preserve, and protect the pledge of the Gross Revenues and other money and accounts pledged hereunder and all the rights of every holder of any bonds and any other securities against all claims and demands of all Persons whomsoever.

Section 905. Conditions Precedent. Upon the date of issuance of any Bonds, all conditions, acts, and things required by the constitution or statutes of the State, including, without limitation, the Project Act, the Slots Tax Act and the Bond Act, or this Instrument, to exist, to have happened, and to have been performed precedent to or in the issuance of the Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other obligations of the System and the Issuer, shall not contravene any debt or other limitation prescribed by the State constitution or statutes.

Section 906. Payment of Governmental Charges. The System shall pay or cause to be paid all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of any portion of the Gross Revenues, when the same shall become due, and shall duly observe and comply with all valid requirements of any municipal or governmental authority relative thereto; and the System shall not create or suffer to be created any lien or charge upon any Gross Revenues, except the pledge and lien created by this Instrument for the payment of the Bond Requirements of the 2014 Bonds and the Bond Requirements of the outstanding parity bonds and except as herein otherwise permitted. The System shall pay or cause to be discharged or shall make adequate provision to satisfy and to discharge, within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies, or other objects which, if unpaid, might by law become a lien upon any Gross Revenues; but nothing in this section requires the System to pay or to cause to be discharged or to make provision for any such lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 907. Prejudicial Action Prohibited. No contract shall be entered into or any other action taken by which the rights of any holder of any Bond or any other security payable from the Gross Revenues might be prejudicially and materially impaired or diminished.

Section 908. Protection of Security. The Issuer, the System, officers, agents, and employees of the Issuer and the System, respectively, and the Governing Body shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bond Requirements of the securities payable from the Gross Revenues according to the terms of such securities.

Section 909. Accumulation of Interest Claims. In order to prevent any accumulation of any claims for interest after maturity, the Issuer shall not directly or indirectly extend or assent to the extension of the time for the payment of any claim for interest on any of the 2014 Bonds or any other securities payable from the Gross Revenues; and the Issuer shall not directly or indirectly be a party to or approve any arrangements for any such extension for the purpose of keeping alive any claims for interest. If the time for the payment of any installments of interest shall be extended in contravention of the foregoing provisions, such installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or the security of this Instrument, except upon the prior payment in full of the principal of all bonds and such other securities, if any, then Outstanding and of all matured interest on such securities the payment of which has not been extended.

Section 910. Prompt Payment of Bonds. The Issuer and the System shall promptly pay the Bond Requirements of every 2014 Bond issued hereunder and secured hereby and every other security payable from the Gross Revenues, if any, hereafter authorized and pertaining to the System at the place, on the dates, and in the manner specified herein and in the Bonds, and any such other securities according to the true intent and meaning hereof.

Section 911. Use of 2014 Bond Fund. The 2014 Bond Fund shall be used solely and the money credited to that account is hereby pledged for the purpose of paying the Bond



Requirements of the 2014 Bonds, except for that money in the 2014 Bond Fund as is in excess of such Bond Requirements, both accrued and not accrued, to the Bonds respective maturities or any other due dates (subject to the provisions of Sections 605, 606, 705, and 1001 hereof), as herein provided.

Section 912. Other Liens. Other than as provided by or described in this Instrument, there are no liens or encumbrances of any nature whatsoever on or against the Gross Revenues, derived or to be derived.

Section 913. Corporate Existence. The Issuer and the System shall maintain their respective corporate identities and existences so long as any of the 2014 Bonds and any other securities payable from the Gross Revenues remain Outstanding, unless another body corporate and politic by operation of law succeeds to the duties, privileges, powers, liabilities, disabilities, immunities, and rights of the Issuer or the System, as the case may be, and is obligated by law to fix and collect the Gross Revenues as herein provided without adversely and materially affecting at any time the privileges and rights of any holder of any Outstanding bond or any other Outstanding security payable with the Gross Revenues.

Section 914. Records. So long as any of the 2014 Bonds or any other securities payable from the Gross Revenues remain Outstanding, proper books of record and account pertaining to the System shall be kept by the System, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Gross Revenues and to the facilities pertaining to the System.

Section 915. Rights Concerning Records. Any Owner of any of the Bonds or any other Outstanding securities payable from the Gross Revenues or any duly authorized agent or agents of such holder, the Purchaser, the Legislative Auditor of the State of Nevada, and each other interested Person shall have the right at all reasonable times to inspect all records, accounts, and data relating to the Gross Revenues, and to make copies of such records, accounts, and data.

Section 916. Revenues Claims. The System and the Issuer, acting by and through the Governing Body, or otherwise, shall defend against every suit, action, or proceeding at any time brought against any Owner of any Bonds or other securities payable from the Gross Revenues upon any claim arising out of the receipt, application, or disbursement of any of the Gross Revenues, or involving such Owner's right under this Instrument or other proceedings pertaining to the issuance of such securities; the System and the Issuer also shall indemnify and save harmless any such Owner against any and all liability, claim, or assertion by any Person whomsoever, arising out of such receipt, application, or disbursement; but such owner at his election may appear in and defend any such suit, action, or proceedings; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect, even though all indebtedness, liabilities, obligations, and other sums secured hereby may have been fully paid and satisfied, and the obligations under this Instrument may have been released and the lien hereof discharged.

Section 917. Tax Covenant. The System and the Issuer covenant for the benefit of the Owners of the 2014 Bonds that neither will take any action or omit to take any action with respect to the 2014 Bonds, the proceeds thereof, any other funds of the System or the Issuer or any facilities refinanced with the proceeds of the 2014 Bonds if such action or omission (i) would cause the interest on the 2014 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the 2014 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted net book income and adjusted current earnings adjustments applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2014 Bonds until the date on which all obligations of the System and the Issuer in fulfilling the above covenant under the Tax Code have been met.

## ARTICLE X

### MISCELLANEOUS

Section 1001. Defeasance. When all Bond Requirements of the 2014 Bonds have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and they shall no longer be deemed to be Outstanding within the meaning of this Instrument. There shall be deemed to be such due payment if the Issuer 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, as defined in NRS 349.174, in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bonds, as such requirements become due to the fixed maturity dates of the Bonds or to any Redemption Date or Redemption Dates as of which the Issuer shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the Bonds thereafter maturing for payment then, all in accordance with the terms of this Instrument. The principal of and the interest on the federal securities, as so defined, when due and payable shall provide sufficient money prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Issuer and such bank at the time of the creation of the escrow or trust, or the federal securities shall be subject to prior redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. Upon the establishment of such an escrow or trust account and upon provision also being made for paying all other sums payable to the trust bank or any other incidental expenses pertaining to the defeasance of the designated securities, then and in that case the Treasurer shall give a notice of the defeasance of the designated refunded securities and of any prior redemption of any or all of them in accordance with 304 hereof.

If at any time the Issuer has so placed in escrow or trust an amount so sufficient to pay designated Bond Requirements of Bonds constituting less than all of the Bond Requirements of the Bonds becoming due on and before their respective due dates, be they the fixed maturity dates of the securities or any such Redemption Date pertaining to the Bonds, such designated Bond Requirements shall be deemed paid and discharged under this Instrument.

Section 1002. Delegated Powers. The Governor, the Chairman, the Secretary, the State Treasurer, the Chancellor, and other officers of the Issuer or the System be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Instrument, including, without limitation:

A. Printing Bonds. The printing of the Bonds, including, without limitation, the printing on each bond of a certified true copy of bond counsel's approving opinion;

B. Final Certificates. The execution of such certificates as may be reasonably required by the Purchaser, relating, among other matters, to:

(1) The signing of the Bonds,

(2) The tenure and identity of the officials of the Governing Body and the Issuer,

(3) The exclusion of interest on the Bonds from gross income and alternative minimum taxable income,

(4) The delivery of the Bonds and the receipt of the bond purchase price, and

(5) If it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof;

C. Information. The assembly and dissemination of financial and other information concerning the Issuer and the bonds;

D. Official Statement; and Continuing Disclosure. The preparation of an official statement for use for prospective buyers of the 2014 Bonds, including, without limitation, such use by the Purchaser and its associates, if any; the execution and delivery of the Continuing Disclosure Certificate; and

E. Bond Sale. The sale and issuance of the 2014 Bonds in accordance with the provisions of this Instrument and with the purchase proposal submitted by the Purchaser to the Issuer, including, without limitation, its execution on behalf of the Issuer and the System and the execution and delivery of the Certificate.

Section 1003. Statute of Limitations. No action or suit based upon any Bond or other obligation of the Issuer shall be commenced after it is barred by any statute of limitations pertaining thereto. Any trust or fiduciary relationship between the Issuer and the owner of any Bond or the obligee regarding any such obligation shall be conclusively presumed to have been repudiated on the fixed maturity date or other due date thereof unless the Bond is presented for payment or demand for payment of any such obligation is otherwise made before the expiration of the applicable limitation period. Any money from whatever source derived remaining in any

account reserved, pledged, or otherwise held for the payment of any such obligation, action or suit for the collection of which has been barred, shall revert to the Special Fund, unless the Governing Body shall otherwise provide by instrument of the Issuer. Nothing herein prevents the payment of any such obligation after any action or suit for its collection has been barred if the Governing Body deems it in the best interests of the public so to do and orders such payment to be made.

Section 1004. Evidence of Securityholders. Any request, consent, or other instrument which this Instrument 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 attorney appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any Person of the securities pertaining thereto, shall be sufficient for any purpose of this Instrument (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 any Owner of any Bonds or other securities or his 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 System Secretary 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 individuals executing any such instrument on behalf of a corporate holder of any securities may be established without further proof if such instrument is signed by an 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; and

B. Proof of Ownership. The ownership of any of the 2014 Bonds or other securities owned by any Person executing an instrument as an Owner of securities, and the numbers, date, and other identification thereof, together with the date of his owning the securities, shall be proved by the registration books of the System kept by the Registrar.

Section 1005. Warranty Upon Issuance of Bonds. Any Bonds, when duly executed and delivered for the purpose provided for in this Instrument shall constitute a warranty by and on behalf of the Issuer for the benefit of each and every future owner of any of the Bonds that the Bonds have been issued for a valuable consideration in full conformity with law.

Section 1006. Immunities of Purchaser. The Purchaser and any associate thereof are under no obligation to any Owner of the Bonds for any action that they may or may not take or in respect of anything that they may or may not do by reason of any information contained in any reports or other documents received by them under the provisions of this Instrument. The immunities and exemption from liability of the Purchaser and any associate thereof hereunder extend to their partners, directors, successors, employees, and agents.

Section 1007. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Treasurer, on the behalf and in the name of the Issuer, shall reasonably determine that the Registrar or Paying Agent has become incapable of performing its duties hereunder, the Treasurer for the Issuer may, upon notice mailed to each owner of any bond at his address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the Treasurer shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder. Any successor by merger with the Registrar and Paying Agent is automatically appointed as Registrar and Paying Agent hereunder without any further action of the Board, as long as the successor otherwise is qualified to act as Registrar and Paying Agent pursuant to this section. Any bank, trust company or national banking association into which the Registrar and/or Paying Agent or its successor may be converted, merged or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust business shall be the successor of the Registrar and/or Paying Agent under this resolution with the same rights, powers, duties and obligations and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

## ARTICLE XI

### PRIVILEGES, RIGHTS AND REMEDIES

Section 1101. Bondholder's Remedies. Each Owner of any Bond shall be entitled to all of the privileges, rights, and remedies provided herein, in the Project Act, the Slots Tax Act, the Bond Act, and as otherwise provided or permitted at law or in equity or by other statutes, except as provided in 206 through 210 hereof, but subject to the provisions herein concerning the Gross Revenues and the proceeds of the 2014 Bonds.

Section 1102. Right To Enforce Payment. Nothing in this article affects or impairs the right of any Owner of any 2014 Bond to enforce the payment of the Bond Requirements of his Bond or the obligation of the Issuer and the System to pay the Bond Requirements of each 2014 Bond to the owner thereof at the time and the place expressed in the Bond.

Section 1103. Events of Default. Each of the following events is hereby declared an "event of default,":

A. Nonpayment of Principal and Premium. Payment of the principal of any of the Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, either at maturity or by proceedings for prior redemption, or otherwise;

B. Nonpayment of Interest. Payment of any installment of interest on the Bonds is not made when the same becomes due and payable;

C. Incapable To Perform. The System or Issuer for any reason is rendered incapable of fulfilling either's respective obligations hereunder;

D. Nonperformance of Duties. The System or the Issuer fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Gross Revenues, or otherwise, including, without limitation, this Instrument, and such failure continues for 60 days after receipt of notice from the owners of 10% in aggregate principal amount of the 2014 Bonds then Outstanding;

E. Appointment of Receiver. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the System, the Treasurer or the Issuer, or both, appointing a receiver or receivers for the Gross Revenues and any other money subject to the lien to secure the payment of the 2014 Bonds, or an order or decree having been entered without the consent or acquiescence of the System or the Issuer, or both, is not vacated or discharged or stayed on appeal within 60 days after entry; and

F. Default of Any Provision. The System or the Issuer makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements, and other provisions contained in the Bonds or in this Instrument on its part to be performed, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the Issuer or the System, or both, as the case may be, by the owners of 10% in aggregate principal amount of the 2014 Bonds then Outstanding.

Section 1104. Remedies for Defaults. Upon the happening and continuance of any of the events of default, as provided in Section 1103 hereof, then and in every case the Owner or Owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, may proceed against the Issuer or the System, or both, and their respective agents, officers, and employees to protect and to enforce the rights of any Owner of Bonds under this Instrument 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 by an award of execution of any power herein granted for the enforcement of any proper, legal, or equitable remedy as such

Owners 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 holder of any Bond, or to require the Issuer or the System, or both, to act as if they 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 holders of the 2014 Bonds.

Section 1105. Receiver's Rights and Privileges. 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 System and the Issuer, may collect, receive, and apply all Gross Revenues and any other revenues pertaining to any 2014 Bonds arising after the appointment of such receiver in the same manner as the System or the Issuer itself might do.

Section 1106. Rights and Privileges Cumulative. The failure of any Owner of any Outstanding Bond to proceed in any manner herein provided shall not relieve the Issuer, the System, its Governing Body, or any of the respective officers, agents, or employees thereof of any liability for failure to perform or carry out any duty, obligation, or other commitment. 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 a waiver of any other right or privilege thereof.

Section 1107. Duties upon Defaults. Upon the happening of any of the events of default as provided in Section 1103 hereof, the System or the Issuer, or both, as the case may be, in addition, shall do and perform all proper acts on behalf of and for the Owners of any then Outstanding 2014 Bonds, and any parity securities payable from the Gross Revenues, to protect and to preserve the security created for the payment of their securities and to insure the payment of the Bond Requirements of the securities promptly as the same become due. During any period of default, so long as any of the securities, as to any Bond Requirements, are Outstanding, all the Gross Revenues shall be paid into the bond funds created to pay such securities, except to the extent the Gross Revenues, if any, exceed the Bond Requirements of the Outstanding securities payable from such bond funds, both accrued and to accrue to their respective fixed maturity dates or to any Redemption Date or Redemption Dates pertaining thereto, whichever is earlier, if any, and thereafter into any like account or like accounts for any Outstanding subordinate securities. If the System or the Issuer, or both, fail or refuse to proceed as in this section provided, the Owner or Owners of not less than 10% in aggregate principal amount of the Bonds and any parity securities then Outstanding, after demand in writing, may proceed to protect and to enforce the rights of the Owners of the securities as hereinabove provided; and to that end any such Owners of Outstanding securities shall be subrogated to all rights of the System and the Issuer involving the Gross Revenues while any such securities are Outstanding.

Section 1108. Prejudicial Action Unnecessary. Nothing in this article requires the System or the Issuer to proceed as provided therein if the Chancellor or his delegate determines in good faith and without any gross abuse of his discretion that if the Issuer or the System so proceeds it is more likely than not to incur a net loss rather than a net gain or such action is otherwise likely to affect materially and prejudicially the holders of the Outstanding 2014 Bonds and any Outstanding parity securities.

## ARTICLE XII

### AMENDMENT OF INSTRUMENT

Section 1201. Privilege of Amendments. Except as provided in Sections 1202 and 1211 hereof, this Instrument may be amended or supplemented by instruments adopted by the Governing Body with the consent of the Treasurer in accordance with the laws of the State, without receipt by the Issuer of any additional consideration, but with the written consent of the insurer of the Bonds, if any, or in lieu thereof, the Owners of at least 66% in aggregate principal amount of the 2014 Bonds authorized by this Instrument and Outstanding at the time of the adoption of such amendatory or supplemental instrument, excluding any 2014 Bonds which may then be held or owned for the account of the System or the Issuer, but including such refunding securities as may be issued for the purpose of refunding any of the 2014 Bonds if such refunding securities are not owned by either the System or the Issuer.

Section 1202. Limitations upon Amendments. No such instrument shall permit:

A. Changing Payment. A change in the maturity or in the terms of redemption of the principal of any Outstanding Bond or any installment of interest thereon; or

B. Reducing Return. A reduction in the principal amount of any Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith, without the consent of the Owner of the Bond; or

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 Instrument, except as expressly permitted in this Instrument; or

D. Modifying Limitations upon Modifications. A reduction of the principal amount or percentages or otherwise affecting the description of Bonds or the consent of the Owners of which is required for any such amendment or other modifications; or

E. Priorities Between Bonds. The establishment of priorities as between Bonds issued and Outstanding under the provisions of this Instrument; or

F. Partial Modification. Materially and prejudicially modifying or otherwise materially and prejudicially affecting the rights or privileges of the owners of less than all of the 2014 Bonds then Outstanding.

Section 1203. Notice of Amendment. Whenever the Governing Body proposes to amend or modify this Instrument under the provisions of Sections 1201 or 1202, it shall cause notice of the proposed amendment to be mailed within 30 days to each:

- (1) The Paying Agent and the Registrar, and



(2) The Registered Owner of each bond.

Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the System Secretary for public inspection.

Section 1204. Time for Amendment. Whenever at any time within one year from the date of mailing of such notice there shall be filed in the office of the System Secretary and the Treasurer an instrument or instruments executed by the Owners of at least 66% in the aggregate principal amount of the Bonds then Outstanding (or greater or lesser percentage as herein provided), which instrument or instruments shall refer to the proposed amendatory instrument described in such notice and shall specifically consent to and approve the adoption of such instrument, thereupon, but not otherwise, the Governing Body with the consent of the Treasurer may adopt such amendatory instrument and such instrument shall become effective.

Section 1205. Binding Consent to Amendment. If the Owners of at least 66% in the aggregate principal amount of the Bonds then Outstanding (or greater or lesser percentage as herein provided), at the time of the adoption of such amendatory instrument, or the predecessors in title of such holders, shall have consented to and approved the adoption thereof as herein provided, no Owner of any Bond whether or not such Owner shall have consented to or shall have revoked any consent as in this article provided, shall have any right or interest to object to the adoption of such amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the Issuer from taking any action pursuant to the provisions thereof.

Section 1206. Time Consent Binding. Any consent given by the Owner of a Bond pursuant to the provisions of this article shall be irrevocable for a period of 6 months from the date of the mailing of the notice above provided for in Section 1203 and shall be conclusive and binding upon all future Owners of the same Bond during such period. Such consent may be revoked at any time after 6 months from the date of such mailing of such notice by the Owner who gave such consent or by a successor in title by filing notice of such revocation with the System Secretary, but such revocation shall not be effective if the Owners of 66% in aggregate principal amount of the Bonds Outstanding as in this article provided, prior to the attempted revocation, consented to and approved the amendatory instrument referred to in such revocation.

Section 1207. Unanimous Consent. Notwithstanding anything in the foregoing provisions of this article, the terms and the provisions of this Instrument or of any instrument amendatory thereof or supplemental thereto and the rights and the obligations of the System or the Issuer, or both, and of the Owners of the Bonds thereunder may be amended or otherwise modified in any respect upon the adoption by the Governing Body with the consent of the Treasurer and upon the filing with the System Secretary and the Treasurer of an instrument to that effect and with the consent of the Owners of all the then Outstanding Bonds, such consent to be given as provided in Section 1004 hereof; and no notice to Owners of Bonds, by mailing shall be required as provided in Section 1203 hereof, and the time of consent shall not be limited except as may be provided in such consent.

Section 1208. Exclusion of Issuer's Bonds. At the time of any consent or of other action taken under this article, the System shall furnish to the System Secretary a certificate of the System Treasurer, and the Issuer shall furnish to the System Secretary a certificate of the State Treasurer, upon each of which certificates the System and the Issuer may rely, describing all Bonds to be excluded, for the purpose of consent or of other action or of any calculation of Outstanding Bonds provided for in this article, and the System and the Issuer shall not be entitled with respect to such Bonds to give any consent or to take any other action provided for in this article, pursuant to paragraph (5) of Section 102 B hereof.

Section 1209. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in this article provided may bear a notation by endorsement or otherwise in form approved by the Governing Body with the consent of the Treasurer as to such action; and if any such Bond so authenticated and delivered shall bear such notation, then upon demand of the holder of any Bond Outstanding at such effective date and upon presentation of his Bond for the purpose at the principal office of the Treasurer, suitable notation shall be made on such Bond by the Treasurer as to any such action. If the Governing Body and the Treasurer so determine, new Bonds so modified as in the opinion of the Governing Body and the Treasurer to conform to such action shall be prepared, authenticated, and delivered; and upon demand of the Owner of any Bond then Outstanding, shall be exchanged without cost to such holder for Bonds then Outstanding upon surrender of such Bonds.

Section 1210. Proof of Instruments and Bonds. The fact and date of execution of any instrument under the provisions of this article, the amount and number of the Bonds held by any Person executing such instrument, and the date of his owning the same may be proved as provided by Section 1004 hereof.

Section 1211. Amendments Not Requiring Bondholders' Consent. The Issuer, acting by and through the Governing Body, with the consent of the Treasurer, notwithstanding the provisions of other sections of this article, and without the consent of or written notice to any holder of any 2014 Bond, shall consent to any amendment, change, or modification of this Instrument as may be required:

- A. Bond Resolution. By the provisions of this Instrument,
- B. Curing Defects. For the purpose of curing any ambiguity or formal defect or omission herein,
- C. Additional Securities. In connection with the issuance and delivery of additional bonds or other securities payable from the Gross Revenues, or
- D. Other Change. In connection with any other change herein which is not to the prejudice of the Owners of the Bonds.

PASSED AND ADOPTED on this \_\_\_\_\_, 2014.

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Chairman  
Board of Regents  
Nevada System of Higher Education

(SEAL)  
Attest:

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Chief Administrative Officer to the Board

STATE OF NEVADA )  
 ) SS.  
NEVADA SYSTEM OF HIGHER )  
EDUCATION )

I am the duly chosen, qualified and acting Chief Executive Officer to the Board of Regents of the Nevada System of Higher Education (the "Board" and the "System," respectively), do hereby certify:

1. The foregoing pages are a full, true, correct, complete and compared copy of the original resolution (the "Resolution") that was proposed, introduced, passed and adopted at such meeting (subject to the numbering, execution and other completion of the resolution after its passage and relating thereto) held on June \_\_, 2014.

2. The adoption of the resolution was duly moved and seconded and the Resolution was adopted by the following vote:

Those voting aye:

Those voting nay:

\_\_\_\_\_

Those absent:

\_\_\_\_\_

\_\_\_\_\_

3. The original of the Resolution has been authenticated by the signatures of the Chairman of the Board and myself as Secretary, and sealed with the seal of the System, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

4. I was in attendance at such meeting, and the foregoing proceedings were in fact held as in such minutes specified as originally of record in my possession.

5. All members of the Board were given due and proper notice of the meeting. Pursuant to Section 241.020, Nevada Revised Statutes, written notice of the meeting was given by 9:00 a.m. at least 3 working days before the meeting, including in the notice the time, place, location and agenda of the meeting:

(a) By mailing a copy of the notice to each member of the Board.

(b) By posting a copy of the notice at the principal office of the Board, or if there is no principal office, at the building in which the meeting is to be held, on the website and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

(i) Administration Building and Duncan Humanities  
University of Nevada Las Vegas;

(ii) Clark Administration, Student Union and Library  
University of Nevada Reno,

- (iii) Western Nevada Community College  
Carson City, Nevada; and
- (iv) System Administration Building  
Nevada System of Higher Education  
2601 Enterprise Road  
Reno, Nevada;

and

(c) Prior to 9:00 am at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notices of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

6. Upon request, the governing body provides, at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at the public meeting, and any other supporting materials provided to the members of the governing body for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

**IN WITNESS WHEREOF**, I have hereunto set my hand on this June \_\_\_\_, 2014

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Chief Executive Officer to the Board

EXHIBIT A

(Attach Copy of Notice of Meeting)