

STATE OF NEW MEXICO)
COUNTY OF DOÑA ANA)ss.
NEW MEXICO STATE UNIVERSITY)

ON THIS the 4th day of September, 2019, the Board of Regents of New Mexico State University, convened in a regular meeting in full conformity with the law and the rules and regulations of the Regents in the Educational Services Building on the New Mexico State University campus, in Las Cruces, New Mexico, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Chair:	Dina Chacón-Reitzel
Vice Chair:	Ammu Devasthali
Secretary-Treasurer:	Luke Sanchez
Members:	Debra Hicks
	Vacant
Absent:	None
Also present:	Chancellor Dan E. Arvizu, Ph.D.
	President John D. Flores, Ph.D.
	Provost Carol Parker, J.D.
	Senior Vice President Andrew Burke, Ed.D.
	General Counsel Roy Collins III, J.D.

The Chair announced that one of the items on the agenda for the meeting was the consideration of a resolution authorizing issuance of the Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A in an aggregate principal amount not to exceed \$19,600,000 and the Regents of New Mexico State University Refunding Revenue Bonds, Taxable Series 2019B, in an aggregate principal amount not to exceed \$8,500,000.

Thereupon, there was officially filed with the Secretary-Treasurer, the Chair and each Member a copy of a proposed bond resolution in final form.

RESOLUTION NO. 2019-03

AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$19,600,000 OF THE REGENTS OF NEW MEXICO STATE UNIVERSITY REFUNDING REVENUE BONDS, SERIES 2019A AND \$8,500,000 OF THE REGENTS OF NEW MEXICO STATE UNIVERSITY REFUNDING REVENUE BONDS, TAXABLE SERIES 2019B TO PROVIDE FUNDS FOR REFUNDING BONDS OF THE REGENTS NOW OUTSTANDING AND PAYING THE EXPENSES RELATED TO THE ISSUANCE OF THE BONDS; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, DELEGATING AUTHORITY TO THE DELEGATE TO EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS TO THE UNDERWRITER PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PRESCRIBING OTHER DETAILS PERTAINING TO THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS; ENTERING INTO CERTAIN COVENANTS AND OTHER AGREEMENTS; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Regents of New Mexico State University (hereinafter called "Board" or "Regents", respectively), on behalf of New Mexico State University, a state educational institution established by Section 11 of the Article XII of the State Constitution (hereinafter called "New Mexico State University" or "University," respectively), has the following revenue bonds outstanding which have been issued pursuant to the general laws of the State of New Mexico, including Sections 6-17-1 through 6-17-19, 6-14-1 through 6-14-12 and 21-8-15 through 21-8-26 NMSA 1978, being as follows:

The Regents of New Mexico State University Improvement Revenue Bonds, Series 2010B (Taxable Direct Payment Build America Bonds), dated February 3, 2010, now outstanding in the principal amount of \$20,465,000, maturing on April 1, 2020 through April 1, 2030 (hereinafter called the "Series 2010B Bonds"); and

The Regents of New Mexico State University Taxable Improvement Revenue Bonds, Series 2010C, dated February 3, 2010, now outstanding in the principal amount of \$8,670,000, maturing on April 1, 2020 through April 1, 2030 (hereinafter called the "Series 2010C Bonds"); and

The Regents of New Mexico State University Refunding Revenue Bonds, Series 2010D, dated February 3, 2010, now outstanding in the principal amount of \$850,000, maturing on April 1, 2020 through April 1, 2021 (hereinafter called the "Series 2010D Bonds" and, together with the Series 2010B Bonds and Series 2010C Bonds, the "Series 2010 Bonds"); and

The Regents of New Mexico State University Improvement Revenue Bonds, Series 2013A dated April 17, 2013, now outstanding in the principal amount of \$12,290,000

maturing on April 1, 2020 through April 1, 2033 (hereinafter called the “Series 2013A Bonds”); and

The Regents of New Mexico State University Refunding Revenue Bonds, Series 2013B dated April 17, 2013, now outstanding in the principal amount of \$8,890,000 maturing on April 1, 2020 through April 1, 2025 (hereinafter called the “Series 2013B Bonds” and, together with the Series 2013A Bonds, the “Series 2013 Bonds”); and

The Regents of New Mexico State University Subordinate Lien Improvement Revenue Note, Series 2014 dated April 21, 2014, now outstanding in the principal amount of \$11,285,000 maturing April 1, 2020 through April 1, 2028 (hereinafter called the “Series 2014 Note”); and

The Regents of New Mexico State University System Refunding and Improvement Revenue Bonds, Series 2017A dated July 13, 2017, now outstanding in the principal amount of \$39,435,000 maturing April 1, 2020 through April 1, 2042 (hereinafter called the “Series 2017A Bonds”); and

The Regents of New Mexico State University Taxable Refunding Revenue Bonds, Series 2017B, dated July 13, 2017, now outstanding in the principal amount of \$17,710,000 maturing April 1, 2020 through April 1, 2037 (hereinafter called the “Series 2017B Bonds”)

The Regents of New Mexico State University Refunding Revenue Bonds, Series 2017C (Crossover Refunding), dated July 13, 2017, now outstanding in the principal amount of \$13,525,000 maturing April 1, 2021 through April 1, 2037 (hereinafter called the “Series 2017C Bonds” and together with the Series 2017A Bonds and Series 2017B Bonds, the “Series 2017 Bonds”); and

WHEREAS, other than the Series 2010 Bonds, the Series 2013 Bonds, and the Series 2017 Bonds (collectively, the “Senior Lien Parity Bonds”), the University does not have any other obligations outstanding payable from and constituting a first lien on the Pledged Revenues; and

WHEREAS, other than the Series 2014 Note, the University does not have any obligations outstanding payable from and constituting a subordinate lien on the Pledged Revenues; and

WHEREAS, it is deemed necessary and advisable to authorize the issuance and delivery of additional senior lien parity bonds for the Refunding Project; and

WHEREAS, it is necessary and advisable to authorize the refunding of the Refunded Bonds to provide present value savings and to restructure the outstanding debt service of the Regents; and

WHEREAS, the Regents are authorized by the Act to issue refunding bonds to refund the Refunded Bonds in the manner herein provided; and

WHEREAS, the Regents are not delinquent in the payment of principal or interest on any of the Refunded Bonds; and

WHEREAS, for such reasons the Regents consider it necessary and advisable and in the best interests of the University that the Series 2019A Bonds be issued in an amount not to exceed \$19,600,000 and the Taxable Series 2019B Bonds be issued in an amount not to exceed \$8,500,000; and

WHEREAS, the proceeds of the Series 2019 Bonds and other legally available moneys of the University, if required, will be sufficient to pay the costs of the Refunding Project; and

WHEREAS, it is in the best interests of the University to sell the Bonds to the Underwriter in a negotiated sale upon the terms set forth in the Bond Purchase Agreement and the Sale Certificate; and

WHEREAS, the Regents anticipate an offer to purchase the Bonds pursuant to the Bond Purchase Agreement which will provide for an underwriting discount, an original issue discount or premium and for payment of Expenses, in the amount to be approved by the Delegate pursuant to Section 6-14-10.2 NMSA 1978, all within the parameters set forth in this Resolution; and

WHEREAS, the Regents have determined, and do hereby determine that the Series 2019 Bonds shall be issued at this time, and desire to authorize issuance of the Series 2019 Bonds and to provide for the payment of the principal of and interest thereon with the exact aggregate principal amount, series designations, and certain other details and terms of the Series 2019 Bonds to be established in the Bond Purchase Agreement and Sale Certificate; and

WHEREAS, the Regents shall annually establish adequate budgetary provisions to promptly pay as they become due, all principal and interest on the Series 2019 Bonds as the same become due, all in compliance with law; and

WHEREAS, the issuance of the Series 2019 Bonds will not take effect until the Series 2019 Bonds have first been approved in writing by the New Mexico State Board of Finance and the New Mexico Higher Education Department; and

WHEREAS, a portion of the proceeds of the Bonds and other legally available moneys of the University, if required, will be sufficient to pay the Refunded Bond Requirements; and

WHEREAS, the forms of a Preliminary Official Statement, an Official Statement, a Bond Purchase Agreement, an Escrow Agreement and a Continuing Disclosure Undertaking relating to the Series 2019 Bonds have been presented to the Regents for approval by the Regents in connection with the adoption of this Resolution with the final terms to be approved by the Delegate within the parameters set forth in this Resolution; and

WHEREAS, the Regents deem it necessary and advisable to authorize, issue and deliver the Series 2019 Bonds.

THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF NEW MEXICO STATE UNIVERSITY:

Section 1. Definitions. Throughout this Resolution, the following terms as used herein shall have the meaning set forth below, unless the text hereof specifically indicates otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Act" means the general laws of the State, including Sections 6-17-1 through 6-17-19 NMSA 1978, as amended, 6-14-1 through 6-14-12 NMSA 1978, as amended, and the enactments of the Regents relating to the issuance of the Bonds, including the Bond Resolution and the Sale Certificate.

"Authorized Officer" means the Chair and Vice-Chair of the Regents and the following officers of the University: Chancellor, President, Senior Vice President for Administration and Finance or any other officer of the University when designated by a certificate signed by the Chair of the Regents from time to time, a certified copy of which shall be delivered to the Paying Agent and the Registrar.

"Bond Purchase Agreement" means the agreement for purchase and sale of the Bonds to be entered into between the Regents and the Underwriter and to be approved by the Delegate within the parameters set forth in this Resolution.

"Bond Resolution" means this Resolution, as amended or supplemented by the Sale Certificate.

"2010 Bond Resolution" means the Resolution of the Regents of November 19, 2009, as amended by a Resolution adopted by the Regents on January 13, 2010 authorizing the issuance of the Series 2010A Bonds, the Series 2010B Bonds, the Series 2010C Bonds, and the Series 2010D Bonds.

"2013 Bond Resolution" means the Resolution of the Regents adopted on January 28, 2013, as amended by a Resolution adopted by the Regents on April 3, 2013 authorizing the issuance of the Series 2013A Bonds, the Series 2013B Bonds, and the Series 2013C Bonds.

"2014 Note Resolution" means the Resolution of the Regents adopted on January 31, 2014, as amended by a Resolution adopted by the Regents on April 16, 2014 authorizing the issuance of the Series 2014 Note.

"2017 Bond Resolution" means Resolution 2017-02 of the Regents adopted March 6, 2017, as amended and supplemented by Resolution 2017-03 adopted by the Regents on June 16, 2017 authorizing the issuance of the Series 2017 Bonds.

“Bonds” “Series 2019 Bonds,” and “2019 Bonds” means, collectively, the bonds designated as “The Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A” authorized by the Bond Resolution to be issued in the original principal amount not to exceed \$19,600,000 and “The Regents of New Mexico State University Refunding Revenue Bonds, Taxable Series 2019B” authorized by the Bond Resolution to be issued in the original principal amount not to exceed \$8,500,000.

“Business Day” means any day other than a Saturday, Sunday, legal holiday, or a day on which banking institutions or the New York Stock Exchange are authorized or obligated by law or executive order to be closed.

“Code” means the Internal Revenue Code of 1986, as amended, including when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

“Continuing Disclosure Undertaking” means the continuing disclosure undertaking with respect to the Bonds to be executed on the day of issuance and delivery of the Bonds to the Underwriter and to be approved at the time of execution of the Sale Certificate.

“Debt Service Grants” means, collectively, the aggregate of the payments received or to be received by the Regents, whether as grants or otherwise, pursuant to agreements of the Regents with the United States of America, or any of its agencies, within the meaning of the provisions of Section 6-17-14 NMSA 1978, as amended.

“Delegate” means the Chair of the Board of Regents, the Chancellor of the University, the President of the University, the Senior Vice President for Administration and Finance or other authorized officer of the University delegated the authority to approve the final terms of the bonds.

“Escrow Agreement” means an escrow agreement for the Refunded Bonds for deposit of all or a portion of the Refunded Bond Requirements on the date of delivery of the Bonds.

“Expenses” means all expenses relating to the issuance of the Bonds, including, without limitation, costs of advertising and publication of the Bond Resolution, rating agency fees and expenses, costs of printing the Preliminary Official Statement, the Official Statement and the Bonds, financial advisor fees and expenses, legal fees and expenses, escrow agent and accounting fees and expenses, fees and expenses of the Underwriter, and all reasonable and necessary fees and administrative costs of the Regents related thereto.

“Fiscal Year” means the twelve-month period used by the University for its general accounting purposes as the same may be changed from time to time, presently being a period beginning on July 1 of each year and ending on June 30 of the next succeeding year.

"Government Obligations" means direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Income from the Permanent Fund" and "Income from the Income Fund" mean the gross income from the Permanent Fund of the University and the gross income from the Income Fund of the University derived from the lease or rentals of such of the University's lands as remain unsold or its other property, as in part established and provided for by Article XII of the New Mexico Constitution, which income may be pledged to the payment of the obligations of the Regents pursuant to Sections 6-17-1 through 6-17-19 NMSA 1978.

"Independent Accountant" means (i) an accountant employed by the State of New Mexico and under the supervision of the State Auditor of the State of New Mexico, or (ii) any certified public accountant, registered accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the University who (a) is, in fact, independent and not under the domination of the University or the Regents, (b) does not have any substantial interest, direct or indirect, with the University, and (c) is not connected with the University or the Regents as an officer or employee of the University or the Regents, but who may be regularly retained to make annual or similar audits of the books or records of the University and the Regents.

"Insured Bank" means a bank or savings and loan association whose deposits are insured by an agency of the United States.

"Interest and Retirement Fund" means that fund for the deposit of Pledged Revenues from the Revenue Fund to be used for the payment of principal of and interest on Senior Lien Parity Bonds and Subordinate Lien Bonds, previously established by the Regents and maintained by the University, and subject to the priority of payment provisions set forth in Section 14 of this Resolution.

"Interest Payment Date" means each April 1 and October 1, commencing April 1, 2020.

"Obligations" means, collectively, all Outstanding Senior Lien Parity Bonds and Outstanding Subordinate Lien Bonds.

"Operating and Maintenance Expenses" means the reasonable operating and maintenance expenses of the System which shall be deemed to include all costs of heating and lighting the buildings, improvements or facilities comprising the System, insurance, the cost of services of employees operating and maintaining the buildings, improvements or facilities comprising the System, the cost of food, repairs, costs of reasonable replacements of equipment and any other incidental costs not herein specifically enumerated, but which are reasonably necessary to operate and maintain the buildings, facilities, improvements and equipment comprising the System.

"Outstanding" or "outstanding" when used in reference to bonds of the Regents means, on any particular date, the aggregate of all such bonds delivered under the applicable resolution authorizing the issuance of such bonds, except:

A. those canceled at or prior to such date or delivered or acquired by the Regents at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Sections 23 and 24 of the Bond Resolution or similar section of any resolution of the Regents authorizing the issuance of the applicable bonds;

C. those in lieu of or in exchange or substitution for which other bonds shall have been delivered, unless proof satisfactory to the Regents and the paying agent for the applicable bonds is presented that any bond for which a new bond was issued or exchanged is held by a bona fide holder in due course; and

D. those which have been refunded in accordance with the Bond Resolution or similar section of any resolution of the Regents authorizing the issuance of the applicable bonds.

"Paying Agent/Registrar" means the Senior Vice President for Administration and Finance of the University, or successor in function, and any substitute paying agent/registrar appointed by the University pursuant to Section 8 of the Bond Resolution, as agent of the Regents for the payment, registration, transfer and exchange of the Bonds.

"Permitted Investments" means direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, or any of its agencies other than Farm Credit Consolidated System-wide Discount Notes, Federal Farm Credit Banks Consolidated System-wide Bonds, Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives and Farmers Home Administration, or obligations fully guaranteed by the United States of America, to the extent permitted under the Investment Policy of the Regents.

"Pledged Revenues" means:

A. The gross income and revenues of whatever nature derived from the operation or ownership of the System (except as otherwise excluded under the definition of System).

B. All gross proceeds of student tuition and fees of every nature collected from students at the University, except (i) the fees now known as "Student Activity Fees," "Bus Fees" and "Equipment Maintenance Fees" and (ii) fees expressly imposed for the use or availability of buildings, structures or facilities excluded from the System under the definition thereof.

C. The gross amounts received by the University from the Income from the Permanent Fund and the Income from the Income Fund.

D. The proceeds of Debt Service Grants and the proceeds of any interest subsidy with respect to Parity Bonds (to the extent any such Debt Service Grant or interest subsidy is applicable with respect to a series of Parity Bonds) paid for or on account of the Regents or the University by any governmental body or agency.

E. All other income or revenues received by the University from proprietary activities carried on by the University, but excluding: (i) the proceeds of ad valorem taxes, (ii) State appropriations, and (iii) the proceeds of any University appropriations, gifts, contracts, grants and endowments, whether from or with public, private or governmental sources, which are restricted as to use. If the pledge of any one or more sources of other income or revenue to the payment of Senior Lien Parity Bonds shall ever be held by final decision of a court of competent jurisdiction to be invalid or to make Senior Lien Parity Bonds invalid because of constitutional restrictions on State indebtedness, the income or revenue derived from such source or sources shall not be subject to the pledge herein contained; and provided further, that there shall not be included in the other income or revenue which is the subject of this paragraph any income or revenue excluded under the provisions of paragraphs A or B of this definition.

"Preliminary Official Statement" and "Official Statement" mean the disclosure documents of the University to be used by the Underwriter in connection with the offer and sale of the Bonds to the public and to be approved as to form at the time of adoption of this Resolution.

"Rebate Fund" means "The Regents of New Mexico State University Refunding Revenue Bonds Series 2019A Rebate Fund" established by Section 12 of the Bond Resolution, to be maintained by the Regents.

"Record Date" means the 15th day of the month preceding any interest payment date of the Bonds.

"Refunded Bonds" means, collectively, the Series 2019A Refunded Bonds and the Series 2019B Refunded Bonds.

"2019A Refunded Bonds" means \$18,915,000 principal amount of the Series 2010B Bonds maturing on April 1, 2021, April 1, 2022, April 1, 2025 and April 1, 2030 as set forth and designated in the Sale Certificate.

"2019B Refunded Bonds" means \$8,080,000 principal amount of the Series 2010C Bonds maturing on April 1, 2025 and April 1, 2030 as set forth and designated in the Sale Certificate.

"Refunded Bonds Deposit" means, collectively, the 2019A Refunded Bonds Deposit and the 2019B Refunded Bonds Deposit.

"2019A Refunded Bonds Deposit" means an amount to be designated in the Sale Certificate from proceeds of the 2019A Bonds and any other legally available moneys of the Regents (which total amount may be increased or decreased by the Senior Vice President for Administration and Finance of the University, if such increase or decrease shall be required to comply with applicable United States Treasury Regulations or to otherwise provide sufficient funds to pay the 2019A Refunded Bond Requirements) to be used to pay the 2019A Refunded Bond Requirements.

"2019B Refunded Bonds Deposit" means an amount to be designated in the Sale Certificate from proceeds of the 2019B Bonds and any other legally available moneys of the Regents (which total amount may be increased or decreased by the Senior Vice President for Administration and Finance of the University, if such increase or decrease shall be required to comply with applicable United States Treasury Regulations or to otherwise provide sufficient funds to pay the 2019B Refunded Bond Requirements) to be used to pay the 2019B Refunded Bond Requirements.

"Refunded Bonds Requirements" means, collectively, the 2019A Refunded Bonds Requirements and the 2019B Refunded Bonds Requirements.

"2019A Refunded Bonds Requirements" means the principal of and the interest on (i.e., all debt service requirements for) the 2019A Refunded Bonds required to pay and defease the 2019A Refunded Bonds on and until their first optional prior redemption date.

"2019B Refunded Bonds Requirements" means the principal of and the interest on (i.e., all debt service requirements for) the 2019B Refunded Bonds required to pay and defease the 2019B Refunded Bonds on and until their first optional prior redemption date.

"Refunding Project" or "Project" means, collectively, the 2019A Refunding Project and the 2019B Refunding Project.

"2019A Refunding Project" means refunding, refinancing, discharging and paying the 2019A Refunded Bonds including but not necessarily limited to the payment of Expenses and to the payment and discharge of the 2019A Refunded Bonds.

"2019B Refunding Project" means refunding, refinancing, discharging and paying the 2019B Refunded Bonds including but not necessarily limited to the payment of Expenses and to the payment and discharge of the 2019B Refunded Bonds.

"The Regents of New Mexico State University" and "Regents" mean the body corporate in which is vested the management and control of the University pursuant to Article XII, Section 13 of the State Constitution and Section 21-8-1 *et seq.*, NMSA 1978.

"Renewal and Replacement Fund" means "The Regents of New Mexico State University Revenue Bonds Renewal and Replacement Fund" previously established by the Regents and maintained by the University.

"Revenue Fund" means the fund of the Regents for the deposit of Pledged Revenues, previously established by the Regents and maintained by the University.

"Sale Certificate" means one or more certificates executed by the Delegate dated on or before the date of delivery of the Bonds, setting forth the following final terms of the Bonds: (i) the interest and principal payment dates; (ii) the principal amounts, denominations and maturity amortization; (iii) the sale prices; (iv) the interest rate or rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the creation of any capitalized interest fund, including the size and funding of such fund(s); (viii) the amount of Underwriter's discount; (ix) the acquisition of and terms related to a bond insurance policy, if any, and (x) the final terms of agreements, if any, with agents or service providers required for the purchase, sale, issuance and delivery of the Bonds, all subject to the parameters and conditions contained in this Resolution.

"Senior Lien Debt Service Account" means that account which is part of the Interest and Retirement Fund for the deposit of Pledged Revenues to be used for the payment of the principal of, premium, if any, and interest on the Senior Lien Parity Bonds, previously established by the Regents and maintained by the University.

"Senior Lien Parity Bonds" means all bonds or obligations of the Regents now outstanding or hereafter issued or outstanding payable from and constituting a first lien on the Pledged Revenues on a parity with the outstanding Series 2010B Bonds, the Series 2010C Bonds, the Series 2010D Bonds, the Series 2013A Bonds, the Series 2013B Bonds, the Series 2017A Bonds, the Series 2017B Bonds, and the Series 2017C Bonds.

"Series 2010 Bonds" means collectively, the Series 2010B Bonds, the Series 2010C Bonds, and the Series 2010D Bonds.

"Series 2010B Bonds" means the Regents of New Mexico State University Improvement Revenue Bonds, Series 2010B (Taxable Direct Payment Build America Bonds).

"Series 2010C Bonds" means the Regents of New Mexico State University Taxable Improvement Revenue Bonds, Series 2010C.

"Series 2010D Bonds" means the Regents of New Mexico State University Refunding Revenue Bonds, Series 2010D.

"Series 2013 Bonds" means, collectively, the Series 2013A Bonds and the Series 2013B Bonds.

"Series 2013A Bonds" means the Regents of New Mexico State University Improvement Revenue Bonds, Series 2013A (Tax-Exempt).

"Series 2013B Bonds" means the Regents of New Mexico State University Refunding Revenue Bonds, Series 2013B (Tax-Exempt).

“Series 2014 Note” means the Regents of New Mexico State University Subordinate Lien Improvement Revenue Note, Series 2014.

“Series 2017 Bonds” means, collectively, the Series 2017A Bonds, the Series 2017B Bonds, and the Series 2017C Bonds.

“Series 2017A Bonds” means the Regents of New Mexico State University System Refunding and Improvement Revenue Bonds, Series 2017A.

“Series 2017B Bonds” means the Regents of New Mexico State University Taxable System Refunding Revenue Bonds, Series 2017B.

“Series 2017C Bonds” means the Regents of New Mexico State University Refunding Revenue Bonds, Series 2017C (Crossover Refunding).

“Series 2019A Debt Service Account” means the account created in Section 14 of this Resolution.

“Series 2019B Debt Service Account” means the account created in Section 14 of this Resolution.

"State" means the State of New Mexico.

“Subordinate Lien Bonds” means the Series 2014 Note and all bonds or obligations of the Regents now outstanding or hereafter issued or outstanding payable from and constituting a lien on the Pledged Revenues subordinate and junior to the lien thereon of the Senior Lien Parity Bonds on a parity with the lien of the Series 2014 Note on the Pledged Revenues.

"Subordinate Lien Debt Service Account" means that account which is part of the Interest and Retirement Fund for the deposit of Pledged Revenues to be used for the payment of the principal of, premium, if any, and interest on the Subordinate Lien Bonds, after payment of the principal of, premium, if any, and interest on the Senior Lien Parity Bonds as set forth in Section 14 of this Resolution and as previously established by the Regents and maintained by the University.

"System" means all housing facilities (student, faculty and other) and all other buildings, structures, improvements and facilities located on any campus of the University from the use and availability of which income or revenue (including in the term "income or revenue" the proceeds of student tuition and fees, other than the fees now known as Student Activity Fees, Bus Fees and Equipment Maintenance Fees) is produced, present and future, owned or operated by the University or the Regents, including, without limitation, dormitories, student unions, auditoriums, dining halls, book stores, stadiums, golf courses, swimming pools, hospitals or infirmaries, utility facilities, and printing plants owned or operated by the University or the Regents; provided that as additional housing and other facilities are acquired by the University or the Regents from time to time hereafter, and as existing facilities in the System are improved or extended, such additional, improved or extended facilities shall become part of the System;

except that the Regents retain the right to acquire, construct, improve or extend any one or more such facilities hereafter and to provide by resolution that any such facility so acquired, constructed, improved or extended shall not become a part of the System, and any such facility so excepted shall not become a part of the System and the income and revenues derived therefrom shall not be part of the Pledged Revenues.

"Tax Compliance Certificate" means the Tax Compliance Certificate to be executed and delivered by the Regents at the time of the issuance of the Bonds, as the same may be amended or supplemented in accordance with its terms.

"Underwriter" means the purchaser of the Bonds as provided in the Sale Certificate and Bond Purchase Agreement.

"University" and "New Mexico State University" mean the state educational institution designated as New Mexico State University and so confirmed by Section 11 of Article XII of the New Mexico Constitution, as amended.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Bond Resolution) by the Regents and the officers, agents, attorneys, advisors, and employees of the University, directed toward the Project; the issuance of the Bonds for the Project; and the sale of the Bonds to the Underwriter be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of Refunding Project. The 2019A Refunding Project is hereby authorized and ordered at a total cost estimated not to exceed \$19,600,000 excluding any cost defrayed or to be defrayed from any source other than the Bond proceeds. The 2019B Refunding Project is hereby authorized and ordered at a total cost estimated not to exceed \$8,500,000 excluding any cost defrayed or to be defrayed from any source other than the Bond proceeds.

Section 4. Findings. The Board hereby declares that it has considered all relevant information and data and hereby makes the following findings:

- A. It is in the best interest of the University to undertake the Refunding Project.
- B. Moneys available for the Refunding Project from all sources other than the issuance of revenue bonds are not sufficient to defray the cost of the Refunding Project.
- C. The issuance by the Regents of the Bonds to provide funds for the Refunding Project is necessary and authorized under the Act.
- D. The Pledged Revenues may lawfully be pledged to secure the payment and redemption of the Bonds.

E. It is economically feasible to defray the cost of the Refunding Project by the issuance of the Bonds.

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Bond Resolution has been adopted by the affirmative vote of a majority of all of the members of the Board. It is hereby declared necessary that the University, pursuant to the Act, issue its negotiable, fully registered, revenue bonds as Senior Lien Parity Bonds to be designated "The Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A," in an aggregate principal amount not to exceed \$19,600,000 and "The Regents of New Mexico State University Refunding Revenue Bonds, Taxable Series 2019B" in the aggregate principal amount not to exceed \$8,500,000. The sale of the Bonds to the Underwriter at a negotiated sale, and the issuance and delivery of the Bonds within the parameters set forth in this Resolution with the final terms of the Bonds to be accepted in the Sale Certificate is hereby authorized.

B. Details of Bonds. There is hereby authorized and created a series of bonds designated as The Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A. The 2019A Bonds will be issued in one or more series with a fixed rate of interest, as established in the Sale Certificate. There is hereby authorized and created a series of bonds designated as The Regents of New Mexico State University Refunding Revenue Bonds, Taxable Series 2019B. The 2019B Bonds will be issued in one or more series with a fixed rate of interest, as established in the Sale Certificate.

The 2019A Bonds shall be issued in the original aggregate principal amount not to exceed \$19,600,000 for the 2019A Refunding Project, with the exact aggregate principal amount of the 2019A Bonds, series designations and other details to be approved by the Delegate in the Sale Certificate. The 2019B Bonds shall be issued in the original aggregate principal amount not to exceed \$8,500,000 for the 2019B Refunding Project, with the exact aggregate principal amount of the 2019B Bonds, series designations and other details to be approved by the Delegate in the Sale Certificate. The forms, terms, and provisions of the Bonds, in the form set forth in Section 8 herein are hereby approved with only such changes therein as are not inconsistent with this Resolution and the Sale Certificate.

The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in denominations of \$5,000 or any integral multiple thereof, in such numbers and denominations as may be requested by the Underwriter. The Bonds shall be numbered separately and consecutively and shall be dated as provided in the Sale Certificate. The Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date, payable semi-annually on April 1 and October 1 in each year commencing on the date established in the Sale Certificate until their respective maturities at the interest rates and shall mature in the designated amounts and on April 1 of each of the years stated in the Sale Certificate.

C. Special Obligations. All of the Bonds, together with the interest accruing thereon, shall be special obligations of the Regents and shall be payable and collectible solely

from the Pledged Revenues as Senior Lien Parity Bonds, which income is irrevocably so pledged. No obligation under the Bond Resolution or under the Bonds shall ever be or become a charge or debt against the State or a pledge of the faith and credit of the State or shall be payable from the proceeds of ad valorem taxes but shall be payable solely as provided in the Bond Resolution.

D. Sale of Bonds; Delegation of Authority to Approve Final Terms with the Parameters Set Forth Herein; Approval of Documents. The Regents and University hereby authorize and approve the sale of the Bonds to the Underwriter in a negotiated sale within the parameters set forth below and as described in the Sale Certificate and Bond Purchase Agreement. After the Bonds have been duly executed and authenticated and upon receipt of the purchase price therefor, the Bonds shall be delivered to the Underwriter by an Authorized Officer in accordance with the Bond Purchase Agreement. The final terms of the Bonds shall be within the parameters set forth below:

(i) The proceeds of the 2019A Bonds shall be used for the 2019A Refunding Project, and the proceeds of the 2019B Bonds shall be used for the 2019B Refunding Project.

(ii) The maximum par amount of the 2019A Bonds shall not be more than \$19,600,000, and the maximum par amount of the 2019B Bonds shall not be more than \$8,500,000.

(c) The final maturity of the 2019A Bonds shall be no later than April 1, 2030. The final maturity of the 2019B Bonds shall be no later than April 1, 2041.

(d) The maximum interest rate on the Bonds shall be no greater than 12% per annum.

(e) The 2019A Bonds and the 2019B Bonds shall be secured by a first lien, but not an exclusive first lien, on the Pledged Revenues, on a parity with the outstanding Parity Senior Bonds.

(f) The Bonds shall be sold pursuant to a negotiated sale to the Underwriter.

(g) The Underwriter's discount shall not exceed 1% of the aggregate principal amount of the Bonds.

(h) The Bonds may be subject to optional and/or mandatory sinking fund redemption as set forth in the Sale Certificate.

(i) The Bonds and the Bond Purchase Agreement shall be in substantially the forms submitted to the Regents with the adoption of this Resolution.

(j) The present value savings for the 2019A Refunding Project and the 2019B Refunding Project shall not be less than 3%.

(k) A bond insurance policy, if any, insuring the payment of principal and interest on the Bonds may be acquired to insure the payment of principal and interest on the Bonds.

The Delegate is hereby authorized pursuant to this Authorizing Resolution to determine the final terms of the Bonds as permitted by Section 6-14-10.2 NMSA 1978 and to execute a Sale Certificate and a Bond Purchase Agreement with the Purchaser in conformance with these parameters and to enter into such agreements and execute such documents with a municipal bond insurer for the procurement of insurance on the Bonds, if any.

Section 6. Prior Redemption. The Bonds may be subject to optional and/or mandatory redemption by the Regents at redemption prices and on the dates established therefor in the Sale Certificate.

A. Notice. Notice of redemption shall be given by the Paying Agent/Registrar by sending a copy of such notice by electronic means or by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Paying Agent/Registrar on the 45th day prior to the redemption date. Except for Bonds to be redeemed pursuant to the sinking fund provisions, if any, of the Sale Certificate, the University shall give the Paying Agent/Registrar written instructions to give notice of redemption to the owners of the bonds to be redeemed at least forty-five (45) days prior to such redemption date. Neither the University's failure to give such notice nor the Paying Agent/Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bonds to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent/Registrar the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent/Registrar, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent/Registrar, the Paying Agent/Registrar will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent/ Registrar by the University.

B. Conditional Redemption. If money or Government Obligations sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent/Registrar prior to the giving of notice of optional redemption pursuant to paragraph B of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent/Registrar by 2:00 p.m. on the applicable

optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent/Registrar. If all of the Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in a manner deemed reasonable and fair by the University and the Paying Agent/Registrar shall give notice, in the manner in which the original notice of optional redemption was given, that such money was not received. In that event, the Paying Agent/Registrar shall promptly return to the Owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been redeemed.

Section 7. Execution of Bonds and Filing of Signatures. Each Bond shall be signed and executed in the name of and on behalf of the Regents with the manual or facsimile of the signature of the Chair; and shall be signed, executed and attested with such a manual or facsimile of the signature of the Secretary-Treasurer. Prior to the execution of any Bond pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Chair and Secretary-Treasurer shall each file with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Registration, Transfer and Exchange.

A. Registration and Transfer. The University shall keep or cause to be kept at the office of the Paying Agent/Registrar books or records of the registration and transfer of the Bonds (the "Registration Books"), and the University hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such transfers of registrations under such reasonable regulations as the University and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers of registrations as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The University shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. Registration of each Bond may be transferred in the Registration Books only upon presentation and surrender of such Bond to the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, (i) evidencing the assignment of the Bond, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and (ii) the right of such assignee or assignees to have the Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new Bond or Bonds shall be issued in conversion and exchange therefor in the manner herein provided. If any Bond or portion thereof is assigned and transferred or converted each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond

for which it is exchanged. A form of assignment shall be printed or endorsed on each Bond which shall be executed by the registered owner or its duly authorized attorney or representative to evidence an assignment thereof. Upon surrender of any Bonds or any portion or portions thereof for transfer of registration, an authorized representative of the Paying Agent/Registrar shall make such transfer in the Registration Books, and shall deliver a new fully registered Bond or Bonds, having the characteristics herein described, payable to such assignee or assignees (which then will be the registered owner or owners of such new Bond or Bonds), or to the previous registered owner in case only a portion of a Bond is being assigned and transferred, all in exchange for such assigned Bond or Bonds or any portion or portions thereof, in the same form and manner, and with the same effect, as provided in Section 8(D), below, for the transfer or exchange of Bonds by any registered owner of a Bond. The University shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such transfer and delivery of a substitute Bond or Bonds, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration of any Bond or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

B. Ownership of Bonds. The entity in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Resolution, whether or not such Bond shall be overdue, and the University and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

C. Payment of Bonds and Interest. The University hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, and to act as its agent to transfer and exchange or replace Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the University and the Paying Agent/Registrar with respect to the Bonds, and of all transfers and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the University. Notice of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Bondholder appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

D. Transfer and Exchange or Replacement; Authentication. Each Bond issued and delivered pursuant to this Resolution, to the extent of the unpaid or unredeemed

principal balance or principal amount thereof, may, upon surrender of such Bond at the office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the registered owner or such assignee or assignees, as appropriate, be transferred and exchanged for fully registered bonds in the form prescribed in this Bond Resolution, in the denomination of \$5,000, or any integral multiple of \$5,000 as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal balance or principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. Each such Bond shall have a principal maturity date corresponding to the due date of the installment of principal or portion thereof for which the Bond is being exchanged; and each such Bond shall bear interest at the single rate applicable to and borne by such installment of principal or portion thereof for which it is being exchanged. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall transfer and exchange or replace Bonds as provided herein, and each fully registered bond delivered in transfer of and exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Resolution shall constitute one of the Bonds for all purposes of this Resolution, and may again be transferred and exchanged or replaced. Each Bond authenticated after the first scheduled Record Date shall bear interest from the interest payment date next preceding the date on which such substitute Bond was so authenticated, unless such Bond is authenticated after any Record Date but on or before the next following interest payment date, in which case it shall bear interest from such next following interest payment date; provided, however, that if at the time of delivery of any Bond the interest on the Bond for which it is being exchanged is due but has not been paid, then such Bond shall bear interest from the date to which such interest has been paid in full.

An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Certificate of Authentication on each Bond, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer and exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the Regents or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. The duty of transfer and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the transferred and exchanged or replaced Bond

shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds originally issued pursuant to this Bond Resolution.

E. In General. All Bonds issued in exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics of negotiable bonds, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the form of Bond set forth in this Bond Resolution.

F. Payment of Fees and Charges. The University hereby covenants with the registered owners of the Bonds that it will (i) pay the standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer of registration of Bonds, and with respect to the transfer and exchange of Bonds solely to the extent above provided in this Resolution.

G. Substitute Paying Agent/Registrar. The University covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Senior Vice President for Administration and Finance of the University, or successor in function, originally appointed as Paying Agent/Registrar pursuant to this Bond Resolution will continue to serve in such capacity or the University will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The University reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the University covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the University. Upon any change in the Paying Agent/Registrar, the University promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

H. Book-Entry. Notwithstanding the above provisions of this Section, the Bonds may be issued or registered, in whole or in part, in book-entry form from time to time

with no physical distribution of bond certificates made to the public, with the Depository Trust Company of New York, New York ("Depository") acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Underwriter will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the Depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The University will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the University determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the University or the Beneficial Owners, the University will either identify another similar depository to perform such functions or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of the Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the University shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the University are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of the Bond Resolution, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent/Registrar or the University to the Depository as provided in this Bond Resolution and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the University to the Depository.

Section 9. Form of Bonds. The form of all Bonds issued in exchange or replacement of any other Bond or portion thereof, including the Paying Agent/Registrar's Certificate, and the form of Assignment shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Bond Resolution or the Sale Certificate.

FORM OF BOND

No. _____

\$ _____

\$ _____

UNITED STATES OF AMERICA
STATE OF NEW MEXICO
COUNTY OF DOÑA ANA
THE REGENTS OF NEW MEXICO STATE UNIVERSITY
REFUNDING REVENUE BONDS, SERIES 2019A [TAXABLE SERIES 2019B]

Interest Rate	Maturity Date	Series Date	CUSIP NO.
_____ %	April 1, _____	____, 2019	_____

ON THE MATURITY DATE specified above, THE REGENTS OF NEW MEXICO STATE UNIVERSITY (the "Regents"), for and on behalf of New Mexico State University (the "University"), being a state educational institution of the State of New Mexico, hereby promises to pay to _____ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of \$ _____ and to pay interest thereon from _____, 2020, to the maturity date specified above or the date of redemption prior to maturity at the interest rate per annum specified above with interest being payable on April 1, 2020 and semiannually on each October 1 and April 1 thereafter to its maturity. This Bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the office of the University's Senior Vice President for Administration and Finance, or his successor in function, who is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft (or by other arrangement as may be mutually agreed to by the Paying Agent/Registrar and the registered owner), dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the University required by the Resolutions authorizing the issuance of the Bonds (collectively, the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner at the office of the Paying

Agent/Registrar upon presentation and surrender of this Bond for redemption and payment at the office of the Paying Agent/Registrar. The University covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Retirement Fund" continued by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of an issue of Bonds initially dated _____, 2019, authorized in accordance with the Constitution and laws of the State of New Mexico in the original principal amount of \$_____ for the purpose of providing funds for refunding and discharging outstanding bonds of the Regents and paying Expenses related to the issuance of the Bonds.

THE BONDS maturing on or after April 1, 20__, are subject to prior redemption at the option of the University, on or after April 1, 20__, in whole or in part at any time, in one or more units of principal of \$5,000 in such order of maturities as the University may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Paying Agent/Registrar in such manner as it shall consider appropriate and fair). The Bonds may be redeemed only in an integral multiple of \$5,000. The redemption price of the Bonds selected for redemption shall be equal to the principal amount of each \$5,000 unit so redeemed, plus accrued interest to the redemption date.

[THE BONDS maturing on April 1, 20__ are also subject to mandatory sinking fund redemption on and after April 1, 20__, by lot in such manner as the Paying Agent/Registrar may determine, pursuant to the terms of the sinking fund provisions of the Bond Resolution, for the principal amount thereof and accrued interest to the redemption date. Notice of the call for sinking fund redemption shall be given by the Paying Agent/Registrar by mail in the manner provided in the Bond Resolution. Failure to mail notice of redemption and any defects therein shall not affect the validity of such redemption.]

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by electronic means or by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to the redemption date. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities,

and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the University, all as provided in the Bond Resolution.

THIS BOND OR ANY PORTION OR PORTIONS HEREOF IN ANY INTEGRAL MULTIPLE OF \$5,000 may be assigned and shall be transferred only in the Registration Books of the University kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond shall be executed by the registered owner, or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Paying Agent/Registrar in transfer of and exchange for this Bond. The University shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The registered owner of this Bond shall be deemed and treated by the University and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the University and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be transferred or exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution and the Sale Certificate executed in connection with the Bonds. The University shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring or exchanging any Bond or any portion thereof, but the one requesting such transfer or exchange shall pay any taxes

or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of transfer or exchange. The Paying Agent/Registrar shall not be required to make any such transfer or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the University, resigns, or otherwise ceases to act as such, the University has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proposed to be performed, exist, and be done precedent to or in the issuance and delivery of this Bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this Bond and the Series of which it is a part, together with other outstanding revenue bonds of the University, which are secured by and payable from a pledge of, and an irrevocable first lien (but not an exclusive first lien) on, the Pledged Revenues which have been defined in the Bond Resolution to mean the gross income and revenues of the System (defined in the Bond Resolution), the gross proceeds of the collection of student tuition and certain student fees, the income from the Permanent Fund and the income from the Income Fund (both defined in the Bond Resolution), certain debt service grants of the United States Government or its agencies, and all other University income or revenues from proprietary activities except that Pledged Revenues does not include certain facilities excluded in the Bond Resolution from the System, the proceeds of ad valorem taxation, State appropriations or restricted contracts and grants. For a full description of the funds, System, Pledged Revenues and the nature and extent of the security afforded thereby for the payment of the principal of, premium, if any, and interest on the Bonds, reference is made to the Bond Resolution. The Bonds, together with other outstanding revenue bonds, are equally and ratably secured by a pledge of the Pledged Revenues.

THE UNIVERSITY reserves the right to issue additional parity bonds under the terms and conditions stated in the Bond Resolution and such bonds may be made payable from the same source, secured in the same manner and placed on a parity with this Bond.

THE OWNER hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. This Bond is not an obligation or indebtedness of the State of New Mexico, but is a special obligation of the University.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the University, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between the registered owner hereof and the University.

IN WITNESS WHEREOF, the University has caused this Bond to be signed with the manual or facsimile signature of the Chair of The Regents of the University and countersigned with the manual or facsimile signature of the Secretary-Treasurer of The Regents of the University, and has caused the official seal of the University to be duly impressed, or placed in facsimile, on this Bond.

Dina Chacón-Reitzel, Chair
The Regents of
New Mexico State University

Countersigned:

Luke Sanchez, Secretary-Treasurer
The Regents of
New Mexico State University

(UNIVERSITY SEAL)

(Form of Paying Agent/Registrar's Authentication Certificate)

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described on the face of this Bond.

Dated: _____

Paying Agent/Registrar

By: _____
Andrew J. Burke, Senior Vice
President for Administration and
Finance
of New Mexico State University

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

(Assignee's Social Security
or Taxpayer Identification Number)

(print or type Assignee's name
and address, including zip code)

and hereby irrevocably constitutes and appoints

attorney to transfer the registration of this Bond on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

NOTICE: This signature must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Registered Owner

NOTICE: This signature must correspond with the name of the Registered Owner appearing on the face of this Bond in every particular without alteration or enlargement or any change whatsoever.

Section 10. Disposition of Proceeds. The proceeds of the Bonds, promptly upon receipt thereof, will be deposited and used by the Regents as follows:

A. Accrued Interest. First, any accrued interest received from the issuance and sale of the Bonds shall be deposited in the Senior Lien Debt Service Account of the Interest and Retirement Fund to be used to pay interest on the Bonds.

B. Refunded Bonds Deposit. Second, (1) an amount necessary from the proceeds of the 2019A Bonds, when issued and delivered, as established by the Senior Vice President for Administration and Finance, together with legally available moneys transferred by the University pursuant to paragraph D of this Section, shall be used to finance the 2019A Refunding Project (such amount shall be equal to the 2019A Refunded Bonds Deposit) and (2) an amount necessary from the proceeds of the 2019B Bonds, when issued and delivered, as established by the Senior Vice President for Administration and Finance, together with legally available moneys transferred by the University pursuant to paragraph D of this Section, shall be used to finance the 2019B Refunding Project (such amount shall be equal to the 2019B Refunded Bonds Deposit).

C. Bond Proceeds. Third, except as otherwise provided herein, (i) the balance of the proceeds (including premium) received from the issuance and sale of the 2019A Bonds shall be deposited into the 2019A Debt Service Account of the Interest and Retirement Fund to be used for the payment of the principal of and the interest on the 2019A Bonds next coming due and (ii) the balance of the proceeds (including premium) received from the issuance and sale of the 2019B Bonds shall be deposited into the 2019B Debt Service Account of the Interest and Retirement Fund to be used for the payment of the principal of and interest on the 2019B Bonds next coming due or, (iii) the balance of the proceeds (including premium) received from the issuance and sale of the Bonds may be used for any other lawful purpose if there is provided a written opinion of nationally-recognized bond counsel to the effect that such use is permissible under State law and, if applicable, that such use will not adversely affect the exclusion of interest on the 2019A Bonds from gross income of the owners thereof for federal income tax purposes under the Code.

D. Additional Deposit. Upon the issuance and sale of the 2019A Bonds, the Senior Vice President for Administration and Finance shall cause legally available moneys to be used for the 2019A Refunded Bonds Deposit in such amount as he determines shall be necessary to assure that the amount of the 2019A Refunded Bonds Deposit will be sufficient to pay the 2019A Refunded Bond Requirements. Upon the issuance and sale of the 2019B Bonds, the Senior Vice President for Administration and Finance shall cause legally available moneys to be used for the 2019B Refunded Bonds Deposit in such amount as he determines shall be necessary to assure that the amount of the 2019B Refunded Bonds Deposit will be sufficient to pay the 2019B Refunded Bond Requirements.

E. Use of Refunded Bonds Deposit. The 2019A Refunded Bonds Deposit shall be used to pay the 2019A Refunded Bond Requirements when due. Any amount of the 2019A Refunded Bonds Deposit remaining after the payment in full of the 2019A Refunded

Bond Requirements shall, subject to the provisions of Section 31 hereof, be applied to any lawful purposes as the University may hereafter determine.

The 2019B Refunded Bonds Deposit shall be used to pay the 2019B Refunded Bond Requirements when due. Any amount of the 2019B Refunded Bonds Deposit remaining after the payment in full of the 2019B Refunded Bond Requirements shall be applied to any lawful purposes as the University may hereafter determine.

F. Insufficiency of Refunded Bonds Deposit. If for any reason the amount in the 2019A Refunded Bonds Deposit shall at any time be insufficient to pay the 2019A Refunded Bond Requirements, the University shall forthwith deposit legally available moneys as shall be necessary to permit the payment in full of the 2019A Refunded Bond Requirements when due. If for any reason the amount in the 2019B Refunded Bonds Deposit shall at any time be insufficient to pay the 2019B Refunded Bond Requirements, the University shall forthwith deposit legally available moneys as shall be necessary to permit the payment in full of the 2019B Refunded Bond Requirements when due.

D. Purchaser Not Responsible. The validity of the Bonds is not dependent on nor affected by the validity or regularity of any proceedings related to the Refunding Project. The Underwriter of the Bonds, and any subsequent owner of any Bonds, shall in no manner be responsible for the application or disposal by the University or by any officer or any employee or other agent of the University of the moneys derived from the sale of the Bonds.

Section 11. Approval of Documents. Forms of a Preliminary Official Statement, the Official Statement, a Bond Purchase Agreement, an Escrow Agreement, and a Continuing Disclosure Undertaking have been filed in the office of the Senior Vice President for Administration and Finance of the University and presented to the Regents at the time of the adoption of this Resolution. The Chair of the Regents, the Vice Chair of the Regents, or the Delegate is authorized and directed to execute, and the Secretary-Treasurer of the Regents is authorized and directed to affix the seal of the University to, and attest, the final Official Statement, the Continuing Disclosure Undertaking, the Bonds, the Tax Compliance Certificate, the Escrow Agreement, documents related to the acquisition of a bond insurance policy, if any, and the Bond Purchase Agreement, as required, in substantially the forms presented to the Regents, subject, in the case of the Bond Purchase Agreement and the Official Statement, to completion to reflect the final terms of the sale of the Bonds, or with such changes therein as are not inconsistent with the Bond Resolution and the Sale Certificate and as shall be approved by the Delegate, Chair or the Vice Chair, the Delegate's, Chair's or Vice Chair's execution thereof to constitute conclusive evidence of approval of any and all changes or revisions thereof from the form approved hereby; any such changes which are inconsistent with the terms of the Bond Resolution or the Sale Certificate shall be approved by subsequent resolution of the Regents. From and after the execution and delivery of the final Official Statement, the Continuing Disclosure Undertaking, the Bonds, the Tax Compliance Certificate, the Escrow Agreement and the Bond Purchase Agreement, the officers, agents and employees of the Regents are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the final Official Statement, the Continuing Disclosure Undertaking, the Tax Compliance Certificate, the Escrow

Agreement, agreements related to a bond insurance policy, if any, and the Bond Purchase Agreement, as executed. The use and distribution of the Preliminary Official Statement and the final Official Statement in connection with the sale of the Bonds to the public are hereby authorized and approved.

Section 12. Bond Funds.

A. Funds Continued. The Regents hereby continue the following special and separate funds previously established by the Regents:

(i) Revenue Fund. "The Regents of New Mexico State University Revenue Bonds Revenue Fund" for the deposit of Pledged Revenues shall be maintained in any account or accounts in one or more regular depositories of the Regents.

(ii) Interest and Retirement Fund. "The Regents of New Mexico State University Revenue Bonds Interest and Retirement Fund" shall be maintained in an account or accounts in one or more depositories of the Regents. The Senior Lien Debt Service Account and Subordinate Lien Debt Service Account have been established as separate accounts of the Interest and Retirement Fund.

(iii) Renewal and Replacement Fund. "The Regents of New Mexico State University Refunding and Improvement Revenue Bonds Renewal and Replacement Fund" shall be maintained with one or more regular depositories of the Regents.

B. Escrow Funds. The Regents hereby establish "The Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A Escrow Fund" for the deposit of certain of the 2019A Bond proceeds. The Regents hereby establish "The Regents of New Mexico State University Refunding Revenue Bonds, Taxable Series 2019B Escrow Fund" for the deposit of certain of the 2019B Bond proceeds.

C. Rebate Fund. The Regents hereby establish "The Regents of New Mexico State University Refunding Revenue Bonds, Series 2019A Rebate Fund" for the purposes set forth in Section 32 of the Bond Resolution.

Section 13. Disposition of Pledged Revenues. So long as any of the Senior Lien Parity Bonds or the Subordinate Lien Parity Bonds are outstanding, either as to principal or interest, or both, the Regents shall cause the Pledged Revenues to be collected and deposited as received on a regular basis in the Revenue Fund and to make the payments from the Revenue Fund into the Interest and Retirement Fund, the Renewal and Replacement Fund and as otherwise required or permitted by Section 14 of the Bond Resolution.

Section 14. Deposit and Use of Pledged Revenues.

A. Senior Lien Debt Service Account. While any Senior Lien Parity Bonds are outstanding, Pledged Revenues shall first be transferred from the Revenue Fund into the Senior Lien Debt Service Account as provided below.

- i. such amounts, at least five days prior to the applicable interest payment date, as will be sufficient, together with other monies, if any, then on deposit therein for such purpose, to pay the interest scheduled to come due on the Senior Lien Parity Bonds on the next interest payment date; and
- ii. such amounts, at least five days prior to the applicable principal payment date, as will be sufficient to pay the next maturing principal payment on the Senior Lien Parity Bonds.

Interest due on the Bonds shall be paid from moneys on deposit in the Senior Lien Debt Service Account on parity with the other outstanding Senior Lien Parity Bonds. The Regents hereby create the Series 2019A Debt Service Account and the Series 2019B Debt Service Account within the Interest and Retirement Account for the deposit of Pledged Revenues on a parity with the other outstanding Senior Lien Parity Bonds and the payment of principal and interest on the Bonds.

In order to allow for seasonal variations in Pledged Revenues, the Regents may make the payment of such installments in an amount greater than the above required amounts. If on or before the applicable payment date there has been accumulated in the Senior Lien Debt Service Account an amount in excess of the amount required to then be on deposit therein, the payment required by such date may be appropriately reduced by the excess on deposit in the Senior Lien Debt Service Account; provided that the amount accumulated in the Senior Lien Debt Service Account on the fifth day prior to an interest payment date for Senior Lien Parity Bonds must always be sufficient to pay in full all principal and interest becoming due on such interest payment date on all Senior Lien Parity Bonds then outstanding. Except as provided in paragraph C of this Section, the moneys in the Senior Lien Debt Service Account shall be used only to pay the principal of and interest on Senior Lien Parity Bonds as the same become due and shall be transferred to the Paying Agent/Registrar by 1:00 p.m. New York City time at least five days preceding the due date thereof.

B. Debt Service Reserve Account. No debt service reserve account will be required for the Bonds.

C. Termination Upon Deposits to Maturity. No payment need be made into the Senior Lien Debt Service Account if the amount on deposit in the Interest and Retirement Fund totals a sum at least equal to the entire amount of principal and interest due and to become due on the Outstanding Senior Lien Parity Bonds to their respective maturities, both accrued and not accrued. In such case, moneys in the Interest and Retirement Fund shall be used solely to pay principal and interest on Senior Lien Parity Bonds as the same become due, and any moneys in excess thereof in the Interest and Retirement Fund and any other Pledged Revenues may be used as provided below in this Section.

D. Defraying Delinquencies in the Senior Lien Debt Service Account. If at any time a deposit due pursuant to paragraph A of this Section for the debt service payable on the

Bonds shall not be paid, for any reason, into the Senior Lien Debt Service Account, then the difference between the amount paid and the amount required shall be paid therein from the first Pledged Revenues thereafter received not required to be otherwise applied.

E. Subordinate Lien Debt Service Account and Reserve Accounts for Subordinate Lien Bonds. After and subject to the payments required by subparagraph (A) for the outstanding Senior Lien Parity Bonds, Pledged Revenues shall be deposited into the Subordinate Lien Debt Service Account and any Reserve Accounts, if any, for the outstanding Subordinate Lien Bonds.

F. Renewal and Replacement Fund. The Renewal and Replacement Fund may be used for the purpose of paying the costs of improvements, replacements, enlargements, extensions, additions, or other capital expenditures relating to the facilities of the University or the acquisition of land in connection therewith, and for paying extraordinary repairs and maintenance of University facilities, or for paying principal of and interest on any bonds, when and to the extent the amount in the Interest and Retirement Fund is insufficient for such purpose.

After making the required deposits from the Revenue Fund as set forth in Paragraphs A, D, and E of this Section, the Regents may make deposits from the Revenue Fund into the Renewal and Replacement Fund in each Fiscal Year until the amount therein is equal to a maximum amount of 10% of the value of the University's buildings, equipment, furnishings and library books as stated in the Regents' annual audit for such Fiscal Year. If the amount on deposit in the Renewal and Replacement Fund is reduced to an amount less than such maximum amount, or if the Regents provide for an increase in such maximum amount in any resolution authorizing Additional Senior Lien Bonds, the Regents may, after making the deposits required by Paragraphs A, D and E of this Section, make additional deposits from the Revenue Fund into the Renewal and Replacement Fund up to the then applicable maximum amount. Notwithstanding anything to the contrary set forth in the Bond Resolution, the Regents may use interest earned on the amounts on deposit in the Renewal and Replacement Fund for any lawful purpose or purposes authorized by the Constitution and laws of the State.

F. Use of Surplus Pledged Revenues. After making the payments hereinabove required to be made under this Section and except as provided in Section 32 herein, the remaining Pledged Revenues, if any, may be applied to payment of junior lien obligations and as determined by the Regents to any other lawful purpose or purposes authorized by the Constitution and laws of the State or as the Regents may direct and Pledged Revenues will be budgeted for the Operating and Maintenance Expenses as is necessary from that portion of the Pledged Revenues which may be used by the Regents for such purposes.

Section 15. General Administration of Funds. The funds and accounts designated in the Bond Resolution shall be administered as follows:

A. Investment of Money. Money in the Revenue Fund may be invested in any manner allowed by the laws of the State and money in the Senior Lien Debt Service Account and Subordinate Lien Debt Service Account may be invested in Permitted Investments maturing prior to the date on which the money so invested will be needed for the payment of principal of

or interest on Outstanding Obligations. Money in the Renewal and Replacement Fund may be invested in Permitted Investments maturing not more than 10 years from the date of purchase. Moneys in each such Fund may also be invested in any of the following as may hereafter be permitted by the laws of the State:

(i) interest-bearing demand or time deposits (including certificates of deposit) in Insured Banks, which deposits are fully insured by the Federal Deposit Insurance Corporation or continuously secured by Permitted Investments (valued at least every 14 days) not less than the amount so invested; and

(ii) investment agreements with Insured Banks, which agreements are fully insured by the Federal Deposit Insurance Corporation or continuously secured by Permitted Investments (valued at least every 14 days) not less than the amount so invested.

Except as otherwise set forth in the Bond Resolution, the obligations so purchased as an investment of moneys in any such fund or account shall be deemed at all times to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account (subject to withdrawal at any time as permitted by Section 14 of the Bond Resolution), and any loss resulting from such investment shall be charged to the fund or account. Any obligations so purchased as an investment of moneys in any fund or account shall be presented for redemption or sale on the prevailing market whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.

B. Deposits of Funds. The moneys and investments comprising the funds designated in the Bond Resolution shall be maintained and kept in an Insured Bank or Banks. Each payment shall be made into and credited to the proper fund at the designated time, except that when the designated time shall be a Saturday, a Sunday or a legal holiday, then such payment shall be made on the next succeeding Business Day; provided that moneys for the payment of the Outstanding Obligations shall be deposited with the Paying Agent/Registrar by 1:00 p.m. New York City time at least five days prior to the applicable payment date. Nothing herein shall prevent the establishment of one or more such accounts in Insured Banks for all of the funds and accounts in Section 12 of the Bond Resolution or shall prevent the combination of such funds with any other Insured Bank account or accounts for other funds and accounts of the Regents. The moneys in funds which are not invested shall be secured at all times in a manner required by the laws of the State for the securing of public moneys of the Regents. The depository holding the amounts on deposit in the Interest and Retirement Fund shall make such credit arrangements with any other bank or banks at which Outstanding Obligations are payable as will assure, to the extent of the moneys in the Interest and Retirement Fund, prompt payment of the principal of, premium, if any, and interest on the Outstanding Obligations as set forth in the applicable resolution of the Regents.

Section 16. Lien on Pledged Revenues; Equality of Senior Lien Parity Bonds. The Bonds are secured by an irrevocable first lien, but not an exclusive first lien, on the Pledged Revenues. The Regents hereby pledge and grant to the owners of Senior Lien Parity Bonds, now owned or hereafter acquired, a security interest in the Pledged Revenues and in the moneys and

securities on deposit in the Revenue Fund and Interest and Retirement Fund for the payment of the principal of, premium, if any, and interest on the Senior Lien Parity Bonds.

The owners of the Bonds and other Senior Lien Parity Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance.

Section 17. Additional Bonds.

A. Limitations Upon Issuance of Additional Bonds. Nothing in the Bond Resolution shall be construed in such a manner as to prevent the issuance by the Regents of Additional Senior Lien Parity Bonds for the purpose of extending, enlarging, expanding, bettering or otherwise improving the System, payable from the Pledged Revenues and constituting a lien upon the Pledged Revenues on a parity with, but not prior or superior to, the lien of the Bonds, nor to prevent the issuance of bonds or other obligations refunding all or a part of the Bonds. The payment of principal of and interest on any Senior Lien Parity Bond hereafter issued may be made on any date established by the Regents. Before any additional Senior Lien Parity Bonds are authorized or actually issued (excluding refunding bonds or refunding obligations which refund Senior Lien Parity Bonds but including parity refunding bonds and obligations which refund subordinate obligations) all of the following conditions shall be met:

(i) The senior financial officer of the University shall sign a written certificate to the effect that the Regents are not in default in any covenant, condition, or obligation relating to any outstanding Senior Lien Parity Bonds, and the resolutions authorizing the issuance thereof, and that the Interest and Retirement Fund contains the amount then required to be on deposit therein.

(ii) The senior financial officer of the University shall sign a written certificate to the effect that, during either the University's Fiscal Year immediately preceding the date of the adoption of the resolution authorizing the Senior Lien Parity Bonds proposed to be issued, or a twelve consecutive calendar month period, ending not more than ninety days prior to the passage of the resolution authorizing the issuance of the proposed Senior Lien Parity Bonds, the Pledged Revenues, after deducting Operating and Maintenance Expenses for such Fiscal Year or twelve-month period, actually received by the Regents were at least equal to one hundred seventy-five percent (175%) of the average annual principal and interest requirements on all outstanding Senior Lien Parity Bonds, but excluding the Senior Lien Parity Bonds proposed to be issued.

(iii) The senior financial officer of the University shall sign a written certificate to the effect that during each Fiscal Year of the University (commencing with the Fiscal Year which includes the date of the adoption of the resolution authorizing the issuance of the proposed Senior Lien Parity Bonds), while any Senior Lien Parity Bonds, including the proposed Senior Lien Parity Bonds, are scheduled to be outstanding, the Pledged Revenues reasonably estimated by such officer to be received during each of such Fiscal Years (after deducting estimated Operating and Maintenance Expenses for each such Fiscal Year), respectively, will be at least equal to one hundred seventy-five percent (175%) of the annual

principal and interest requirements on all then outstanding Senior Lien Parity Bonds, including the proposed Senior Lien Parity Bonds, during such Fiscal Year.

B. Subordinate Obligations Permitted. Nothing herein contained shall be construed to prevent the Regents from issuing bonds or other obligations payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien of the Bonds in accordance with the resolutions authorizing the issuance of the Outstanding Subordinate Lien Bonds.

C. Superior Obligations Prohibited. Nothing herein contained shall be construed to permit the Regents to issue bonds or other obligations payable from the revenues of the System and having a lien thereon prior and superior to the Bonds.

Section 18. Refunding Bonds. The provisions of Section 17 of the Bond Resolution are subject to these exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time the Regents shall find it desirable to refund bonds or other obligations payable from and constituting a lien upon Pledged Revenues, the bonds or other obligations, or any part thereof, may be refunded (but the owners of bonds to be refunded may not be compelled to surrender their bonds, unless the bonds or other obligations, at the time or times of their required surrender for payment shall then mature, or shall then be callable for prior redemption at the Regents' option upon proper call), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed (except as provided in Paragraph C of Section 17, i.e., prohibiting superior lien bonds, and except as provided in paragraphs B, C and D of this Section). Any bonds issued for refunding purposes may be delivered in exchange for the outstanding bonds authorized to be refunded, or sold at public or private sale, or sold in part and exchanged in part.

B. Limitations upon Issuance of Parity Refunding Obligations. No refunding bonds or other refunding obligations payable from Pledged Revenues shall be issued on a parity with the Bonds unless:

(i) The outstanding obligations so refunded are Senior Lien Parity Bonds and the refunding bonds or other refunding obligations do not increase annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with paragraph A of Section 17 of the Bond Resolution.

C. Refunding Part of an Issue. The refunding bonds or other refunding obligations issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of any bonds or other obligations of the same issue which are not refunded, if any; and the holder or holders of such refunding bonds or other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the same issue refunded thereby.

D. Limitations Upon Issuance of Any Refunding Obligations. Any refunding bonds or other refunding obligations payable from Pledged Revenues shall be issued with such details as the Regents may by resolution provide, subject to the inclusion of any such rights and privileges designated in paragraph C of this Section but without impairment of any contractual obligation imposed upon the Regents by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including but not necessarily limited to the Bonds). If only a part of the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded, unless:

(i) The refunding bonds or other refunding obligations do not increase any annual principal and interest requirements for any Fiscal Year evidenced by such refunded obligations and by the then outstanding obligations not refunded; or

(ii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded; or

(iii) The refunding bonds or other refunding obligations are issued in compliance with paragraph A of Section 17 hereof.

Section 19. General Covenants. The Regents covenant and agree that:

A. The Regents will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Bond Resolution and in each and every Senior Lien Parity Bond. The Regents will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Senior Lien Parity Bond, on the dates and in the places and manner prescribed in such Senior Lien Parity Bonds. The Regents will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Pledged Revenues, the amounts of money specified herein.

B. The Regents are duly authorized under the laws of the State to issue and deliver the Bonds. All action on the Regents' part for the authorization, issuance and delivery of the Bonds has been duly and effectively taken, and the Bonds in the hands of the owners thereof are and will be valid and enforceable special obligations of the Regents in accordance with their terms.

C. The Regents lawfully own and are lawfully possessed of the lands upon which the existing campuses, buildings and facilities constituting the University are located. The Regents are lawfully qualified to pledge the Pledged Revenues to the payment of Senior Lien Parity Bonds in the manner prescribed herein, and have lawfully exercised such rights.

D. The Regents will, from time to time, and before the same become delinquent, pay and discharge all taxes, assessments and governmental charges, if any, which shall be lawfully imposed upon the University, or the campus, buildings and facilities of the University.

E. The Regents will, if necessary to meet the payment to the Interest and Retirement Fund, adopt such reasonable regulations and requirements relating to the residence of the students attending the University and the use of the University's facilities as shall be necessary to assure that the facilities will be as fully occupied and utilized as reasonably possible.

F. The Regents will continuously and efficiently operate and maintain in good condition, the University and the facilities and services thereof, so long as any Senior Lien Parity Bonds are outstanding.

G. While the Senior Lien Parity Bonds are outstanding and unpaid, the Regents will not additionally encumber the Pledged Revenues in any manner, except as permitted by the Bond Resolution.

H. Proper books of record and account will be kept in which full, true and correct entries will be made of all dealings, activities and transactions relating to the Pledged Revenues, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any owner of Senior Lien Parity Bonds.

I. Each year while any of the Senior Lien Parity Bonds are outstanding, an audit will be made of the University's books and accounts relating to the Pledged Revenues by a certified or registered public accountant, such audit to be based on the Fiscal Year of the University.

J. While any Senior Lien Parity Bonds are outstanding and unpaid, the Regents shall keep the System in reasonable repair and shall not sell, convey, mortgage, or in any manner transfer title to, or lease (except to provide professional management of auxiliary facilities or services after the chief financial officer of the University certifies that the Regents reasonably anticipate that (a) the University will receive increased Pledged Revenues as a result of such lease or that (b) the Operating and Maintenance Expense of the University will be reduced as a result of such lease), or otherwise dispose of any property providing Pledged Revenues, except that whenever the Regents deem it necessary to dispose of any furnishings and equipment, they may sell or otherwise dispose of such furnishings and equipment when they have made arrangements to replace the same or provide substitutes therefor. However, the Regents reserve the right to abandon the use of, or sell at fair market value, any facilities that provide Pledged Revenues, provided that:

(i) The Regents are in full compliance with all covenants and undertakings in connection with all of the Senior Lien Parity Bonds outstanding;

(ii) The Regents will, in the event of sale, apply the proceeds to either (a) redemption of outstanding Senior Lien Parity Bonds in accordance with the provisions governing repayment of Senior Lien Parity Bonds in advance of maturity, or (b) replacement of the facility disposed of by another facility and in such case the revenues of such facility shall be part of the Pledged Revenues, or (c) depositing such proceeds in the Senior Lien Debt Service

Account for payment of the next ensuing payments of principal of and interest on Senior Lien Parity Bonds;

(iii) The chief financial officer of the University certifies, prior to any abandonment of use, that (a) the facility to be abandoned is of substandard quality and no longer capable of producing positive net revenues after payment of operation and maintenance expenses thereof, and/or (b) the conversion, abandonment, razing or removal is necessary to carry out the University's campus master plan, and/or (c) the conversion, abandonment, razing or removal is in the best interest of the University;

(iv) The chief financial officer of the University certifies that the Pledged Revenues during either the University's prior Fiscal Year or the twelve calendar month period immediately preceding such abandonment, sale or other disposition would have been at least 175% of the maximum annual principal and interest requirements on all outstanding Senior Lien Parity Bonds for such Fiscal Year or twelve-month period, if such sale, abandonment or disposition had occurred at the beginning of such Fiscal Year or twelve-month period; and

(v) The chief financial officer of the University certifies that the estimated Pledged Revenues for the then succeeding Fiscal Year plus the estimated revenues of the facility, if any, to be added to the Pledged Revenues satisfy the earnings test required in Section 17 for the issuance of Additional Senior Lien Parity Bonds.

K. Insurance on the University's facilities and equipment will be maintained in an amount equal to 80% of the full insurable value thereof. In case of loss, the proceeds of such insurance will be used to repair, restore or replace such facilities, if necessary to the University's function. If the insurance proceeds are not sufficient to repair, restore or replace such facility, any available revenues of the Regents may be used for such purpose. If the Regents determine that the repair, restoration or replacement of such facilities is not necessary to the function of the University or other revenues are not available at the time to make such repairs, restoration or replacement, then the insurance proceeds shall be used promptly as follows:

(i) for the redemption prior to maturity of Senior Lien Parity Bonds, if any, ratably in the proportion that the outstanding principal of each series or issue of Parity Bonds bears to the total outstanding principal of all Senior Lien Parity Bonds; provided that if on any such occasion the principal of any such series or issue of Senior Lien Parity Bonds is not subject to redemption within 12 months of the date that such proceeds are available to the Regents, such series or issue shall not be regarded as outstanding in making the foregoing computation; or

(ii) for payment of the next ensuing payments of principal of, premium, if any, and interest on Senior Lien Parity Bonds in the same proportion as prescribed in clause (i) above; or

(iii) if Senior Lien Parity Bonds are available for purchase, insurance proceeds may be used for the purchase on the open market and retirement of Senior Lien Parity

Bonds, in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any such Senior Lien Parity Bond shall not exceed the redemption price of such Senior Lien Parity Bond on the first date upon which it thereafter becomes subject to redemption; or

(iv) to the extent that the foregoing clauses (i), (ii) and (iii) cannot be complied with, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the Regents, to be designated the Insurance Account. The Insurance Account shall be held until such time as either clause (i), (ii) and/or (iii) can be complied with, or until other revenues become available which, together with the moneys in the Insurance Account, will be sufficient to make the repairs or replacements originally required.

L. The Regents will at all times impose and collect rates and charges for the use of all buildings and facilities comprising the System and for all commodities and services sold or supplied therein or furnished thereby, and will impose and collect such student tuition and fees for the use and availability of the System, as will be fully sufficient, together with the other income and revenues of the University received from sources other than (i) sources excluded from the System, (ii) the proceeds of ad valorem taxation, (iii) State appropriations, or (iv) the proceeds of any University appropriations, gifts, contracts, grants and endowments, whether from or with public, private or governmental sources, which are restricted as to use, to permit the performance of all the covenants in and requirements of the Bond Resolution, including the prompt payments required by Section 14 into the Senior Lien Debt Service Account, the Subordinate Lien Debt Service Account, the Renewal and Replacement Fund, the Rebate Fund and the payment of Operating and Maintenance Expenses.

Section 20. Events of Default. Each of the following events is hereby declared to be an "event of default":

A. Nonpayment. The failure to make any payment of principal of, premium, if any, or interest on any Parity Bond on the date the same becomes due and payable.

B. Default of Any Provision. Default in the due and punctual observance or performance of any of the covenants, conditions and agreements on the part of the Regents in the Senior Lien Parity Bonds or in any resolution of the Regents authorizing the issuance of outstanding Senior Lien Parity Bonds, other than as specified in paragraph A of this Section, and failure to remedy such default for a period of sixty (60) days after written notice thereof specifying such failure and requiring the same to be remedied shall have been given to the Regents by the holders of not less than twenty-five percent (25%) in aggregate principal amount of the outstanding Senior Lien Parity Bonds.

C. Bankruptcy. The Regents shall file a petition seeking relief or a petition shall be filed against the Regents seeking relief, which shall not be stayed or dismissed within sixty (60) days, under any bankruptcy law or similar law for relief of debtors.

Section 21. Rights and Remedies. Upon the occurrence of any event of default, the owners of not less than twenty-five percent (25%) in aggregate principal amount of the Senior Lien Parity Bonds, including a trustee or trustees for the owners of Senior Lien Parity Bonds, shall, in addition to all other remedies and rights of owners of any of the Senior Lien Parity Bonds, have the right and power for the equal benefit and protection of all owners of the Senior Lien Parity Bonds similarly situated, by suit, action, mandamus or proceeding, at law or in equity, to protect, enforce and compel performance by the Regents and any of the officers, agents and employees of the Regents, to perform and carry out its and their duties and obligations under the resolution or the law pursuant to which the Senior Lien Parity Bonds have been issued, or to enforce the covenants and agreements of the Regents with the owners of the Senior Lien Parity Bonds. Nothing in this Section shall be construed to authorize any action by or on behalf of such owners which is contrary to any presently existing law, nor to require the Regents to perform any act or to do anything which shall require the expenditure in any manner or for any purpose of any funds by the Regents other than the Pledged Revenues.

Section 22. Amendment of Resolution.

A. Limitations upon Amendments. The Bond Resolution as supplemented by the Sale Certificate may be amended without the consent of the owners of the Bonds to cure any ambiguity, to cure, correct or supplement any defect or inconsistent provision contained therein or to cause or continue to cause interest on the 2019A Bonds to be excluded from gross income for federal income tax purposes, if applicable. Except as provided above, the Bond Resolution as supplemented by the Sale Certificate may only be amended or supplemented by resolutions adopted by the Regents in accordance with the laws of the State, with the written consent of the owners of a majority in aggregate principal amount of the 2019A Bonds and 2019B Bonds, respectively, then outstanding (not including in any case any 2019A Bonds or 2019B Bonds which may then be held or owned for the account of the Regents, but including such refunding bonds as may be issued for the purpose of refunding any of the 2019A Bonds or 2019B Bonds, respectively, if such refunding bonds are not owned by the Regents); provided, however, that no such resolutions shall have the effect of permitting:

- (i) An extension of the maturity of any Bond; or
- (ii) A reduction in the principal amount of any Bond, the rate of interest thereon, or the redemption premium payable thereon; or
- (iii) The creation of a lien upon or a pledge of Pledged Revenues ranking prior to the lien or pledge created by the Bond Resolution; or
- (iv) A reduction of the principal amount of Bonds required for consent to such amendatory or supplemental resolution; or
- (v) The establishment of priorities as between Bonds issued and outstanding under the provisions of the Bond Resolution; or

(vi) The modification of, or otherwise affecting, the rights of the owners of less than all of the Bonds then outstanding (other than as originally permitted hereby); or

(vii) The modification of the terms of payment of principal of or interest on the Bonds or the imposition of any conditions with respect to such payment.

B. Notice of Amendment. Notice of a proposed amendment requiring the consent of the owners of Bonds shall be mailed to the owners of the Bonds then Outstanding at their addresses as the same last appear in the registration books kept by the Paying Agent/Registrar. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies of the resolution pertaining to such amendment are on file at the office of the Paying Agent/Registrar for inspection by all owners of Bonds. If within sixty (60) days, or such longer period as shall be prescribed by the Regents following the giving of such notice, the owners of a majority in aggregate principal amount of the Bonds Outstanding shall have consented to and approved the amendment as herein provided, the amendment shall become effective and no owner of any Bond shall have any right to object to such amendment, or the operation thereof.

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

Section 23. Defeasance. When all principal, interest and prior redemption premiums, if any, in connection with the Bonds have been duly paid, the pledge and lien therefor on the Pledged Revenues and all obligations of the Regents hereunder shall thereby be discharged and the Bonds shall no longer be deemed to be Outstanding within the meaning of the Bond Resolution. There shall be deemed to be such payment when the Regents have caused to be placed in escrow and in trust with a bank doing business in the State which is a member of the Federal Deposit Insurance Corporation and exercising trust powers, an amount sufficient (including the known minimum yield from Government Obligations or Tax-Exempt Obligations, defined below, in which such amounts are initially invested) to meet all requirements of principal, interest and prior redemption premium, if any, on the Bonds as the same become due to their final maturities or upon designated prior redemption dates. The Government Obligations or Tax-Exempt Obligations shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Regents and such bank at the time of the creation of the escrow, or the Government Obligations or Tax-Exempt Obligations shall be subject to redemption at the option of the holders or owners thereof to assure such availability as needed to meet such schedule. Tax-Exempt Obligations within the meaning of this Section are those obligations exempt from federal income tax having a rating within the highest rating category assigned to such obligations by Moody's Investors Service or Standard & Poor's Corporation to the extent then allowed by the laws of the State to be purchased by the Regents for the purpose of paying the Bonds. If any Bond is to be redeemed

prior to maturity, notice of redemption shall have been given or arrangements satisfactory to the Paying Agent/Registrar shall have been made for the giving of such notice. No Bonds may be refunded unless they mature or are callable for prior redemption under their terms, as set forth in the Sale Certificate, within fifteen (15) years, or such other period as may then be allowed by the laws of the State, from the date of issuance of the refunding bonds or unless the owners thereof voluntarily surrender them for exchange or payment.

Section 24. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent/Registrar for the benefit of the owners thereof, and in the case of Bonds to be redeemed, if notice of redemption has been given as provided in the Bond Resolution or other applicable resolution, all liability of the Regents to such owners for the payment of such Bonds shall be completely discharged, such Bonds shall not be deemed to be Outstanding and it shall be the duty of the Paying Agent/Registrar to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds for a period of four (4) years, after which time such moneys shall be returned to the Regents for use in any lawful manner.

Section 25. Delegated Powers. The officers of the Regents and the University are authorized and directed to take all action necessary or appropriate to effectuate the provisions of the Bond Resolution, including, without limiting the generality of the foregoing, the publication of the Notice of Resolution Authorizing the Issuance of Public Securities set out in Section 34 below (with or without such changes, additions and deletions not inconsistent herewith as they may determine are necessary), the distribution of material relating to the Bonds, the printing of the Bonds, the printing and distribution of the final Official Statement and the execution of the Bond Purchase Agreement, the Tax Compliance Certificate, the Escrow Agreement and the Continuing Disclosure Undertaking and such certificates and documents as may be required by the Underwriter. Pursuant to Section 6-14-10.2 NMSA 1978 and the provisions of this Resolution, the Delegate is delegated the authority to approve the final terms of the Bonds and to execute the Sale Certificate and Bond Purchase Agreement all within the parameters set forth in this Authorizing Resolution.

Section 26. Bond Resolution Irrepealable. Except with respect to amendments as provided in Section 22 above, after any of the Bonds are issued, the Bond Resolution shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance as herein provided.

Section 27. Approval of Bonds. Prior to the delivery of the Bonds, an officer or representative of the Regents or the University shall give written notice of the intention of the Regents to issue the Bonds to the State Board of Finance, together with a copy of this resolution and any supplemental showings or materials which may be required by the State Board of Finance, and none of the Bonds shall be delivered until the State Board of Finance, the New Mexico Higher Education Department, and any other appropriate governmental authority shall have issued such approvals with respect to the issuance of the Bonds as are required by law.

Section 28. Severability. If any one or more provisions of the Bond Resolution or the application thereof to any set of circumstances or the pledge of any one or more sources of revenue hereunder shall ever be held by final decision of a court of competent jurisdiction to be invalid or ineffective for any reason, such holding shall not affect the validity and enforceability of the remaining provisions and pledges of the Bond Resolution or the application of such remaining provisions to other circumstances.

Section 29. Repealer Clause. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, heretofore repealed.

Section 30. Damaged, Mutilated, Lost, Stolen, or Destroyed Bonds.

A. Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

B. Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the University and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the University and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

C. No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the University may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

D. Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the University whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Bond Resolution equally and proportionately with any and all other Bonds duly issued under this Bond Resolution.

E. Authority for Issuing Replacement Bonds. This Section of this Bond Resolution shall constitute authority for the issuance of any such replacement bond without necessity of further action by the Regents or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 8 of this Resolution for Bonds issued in transfer or exchange for other Bonds.

Section 31. Covenants Regarding Tax Exemption. The University covenants that it will restrict the use of the proceeds of the 2019A Bonds in such manner and to such extent, if any, as may be necessary so that the 2019A Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Chair of the Board of Regents and other officers of the University having responsibility for the issuance of the 2019A Bonds shall give an appropriate certificate of the University, for inclusion in the transcript of proceedings for the 2019A Bonds, setting forth the reasonable expectations of the University regarding the amount and use of all the proceeds of the 2019A Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the 2019A Bonds.

With respect to the 2019A Bonds intended to be tax-exempt under the Code, the University covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the 2019A Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the 2019A Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) if required, make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chair of the Board of Regents, the Chancellor, the President, the Senior Vice President for Administration and Finance, and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

In order to facilitate compliance with the above covenants the University will make any necessary deposits into the Rebate Fund for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the bondholders.

It is the understanding of the University that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or ruling are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the 2019A Bonds, the University will not be required to comply with any covenant contained herein to the extent that such modification or expansion, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the

Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the 2019A Bonds, the University agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the 2019A Bonds under Section 103 of the Code.

Section 32. Further Procedures. The Chair of the Regents, the Secretary-Treasurer of the Regents, the Senior Vice President for Administration and Finance of the University, and all other officers, employees, and agents of the University, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the University all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Bond Resolution and the Bonds.

Section 33. Parties Interested Herein. Nothing in the Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to any person or entity, other than the Regents, the Paying Agent/Registrar and the registered owners of the Bonds, any right, remedy or claim under or by reason of the Bond Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Bond Resolution contained by and on behalf of the Regents shall be for the sole and exclusive benefit of the Regents, the Paying Agent/Registrar and the registered owners of the Bonds.

Section 34. Notice of Resolution Authorizing the Issuance of Public Securities for Publication and Limitation of Actions. In accordance with the provisions of Section 6-14-6 NMSA 1978, the Senior Vice President for Administration and Finance of the University, shall cause the following "Notice of Resolution Authorizing the Issuance of Public Securities" to be published once in a newspaper of general statewide circulation, and cause a copy of the Bond Resolution to be kept on file in the office of the Senior Vice President for Administration and Finance of the University for public examination during regular business hours until at least thirty (30) days from and after the date of publication thereof. The "Notice of Resolution Authorizing the Issuance of Public Securities" shall be in substantially the following form:

NOTICE IS HEREBY GIVEN pursuant to the provisions of Section 6-14-6 NMSA 1978, that on September 4, 2019, the Regents of New Mexico State University (the "Regents") adopted a resolution (the "Resolution") authorizing the issuance of up to \$19,600,000 Refunding Revenue Bonds, Series 2019A and up to \$8,500,000 Taxable Refunding Revenue Bonds, Series 2019B (collectively, the "Bonds"), and the sale of such bonds on terms and conditions to be provided in a subsequent resolution, providing for the payment of principal of and interest on the Bonds and entering into certain covenants and agreements in that connection.

The title of the Resolution is as follows:

AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$19,600,000 OF THE REGENTS OF NEW MEXICO STATE UNIVERSITY REFUNDING REVENUE BONDS, SERIES 2019A AND \$8,500,000 OF THE REGENTS

OF NEW MEXICO STATE UNIVERSITY REFUNDING REVENUE BONDS, TAXABLE SERIES 2019B TO PROVIDE FUNDS FOR REFUNDING BONDS OF THE REGENTS NOW OUTSTANDING AND PAYING THE EXPENSES RELATED TO THE ISSUANCE OF THE BONDS; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, DELEGATING AUTHORITY TO THE DELEGATE TO EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS TO THE UNDERWRITER PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PRESCRIBING OTHER DETAILS PERTAINING TO THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS; ENTERING INTO CERTAIN COVENANTS AND OTHER AGREEMENTS; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

A summary of the Resolution is as follows:

Preambles recite or include such matters as the status of New Mexico State University, at Las Cruces, New Mexico (the "University") as a state educational institution under the management and control of The Regents of New Mexico State University ("Regents"); the Regents' intent to issue the Bonds, which are to be secured by a pledge of the revenues derived in part from the operation of buildings and facilities on the campus of the University ("System") and derived in part from student tuition and fees and other income received by the University other than ad valorem taxes as specified in the Bond Resolution (collectively, "Pledged Revenues") for the purpose of providing funds for refunding certain bonds of the Regents, and to pay all costs incidental to the foregoing and to the issuance of the Bonds; the authority of the Regents under the laws of the State of New Mexico ("State") to issue the Bonds; and that the Bonds will be sold in accordance with a the Resolution the Sale Certificate ("Sale Certificate") to be executed by the Delegate setting forth the final terms of the Bonds.

Sections 1 through 9 define terms used in the Bond Resolution; authorize the issuance of the Series 2019A Bonds in the aggregate principal amount of up to \$19,600,000 (the "2019A Bonds") and the Series 2019B Bonds in the aggregate principal amount of up to \$8,500,000 (the "2019B Bonds" and, collectively with the 2019A Bonds, the "Bonds") to be payable and collectible solely from the Pledged Revenues; provide that the Bonds shall be issued only as fully registered bonds; provide that the exact principal amount, interest rates and maturity schedule shall be within the parameters established in the Resolution and set forth in the Sale Certificate; provide details related to payment of principal and interest on the Bonds by the Paying Agent/Registrar; set forth provisions related to registration, transfer and exchange of the Bonds; provide that a successor Paying Agent/Registrar may be appointed by the Regents; provide that the Bonds may be subject to prior redemption at the option of the Regents on terms to be set forth in the Sale Certificate; provide details relating to such redemption and notice thereof; state that the Bonds are fully negotiable; provide for compliance with the Uniform Facsimile Signatures of Public Officials Act; set forth terms for execution and authentication of the Bonds; provide that the Bonds are special obligations of the Regents payable solely from Pledged Revenues and not a charge or debt against the State or a pledge of the faith and credit of the State; state that neither the full faith and credit nor the taxing power of the State or any

political subdivision thereof are pledged for the payment of the principal of or interest on the Bonds; provide a form of the Bonds; and provide that the Bonds may be in book entry form.

Sections 10 through 14 provide for disposition of bond proceeds; approves the forms of a Bond Purchase Agreement, Preliminary Official Statement, Official Statement, an Escrow Agreement and a Continuing Disclosure Undertaking; establish special funds for deposit of the Pledged Revenues; and provide that Pledged Revenues shall be used for payment of the principal and interest on the Bonds and parity bonds, to satisfy rebate requirements and for other lawful purposes as directed by the Regents.

Sections 15 through 19 provide for general administration of funds and state the Bonds are secured by an irrevocable but not necessarily an exclusive first lien on the Pledged Revenues, and provide for the issuance of additional parity obligations payable from the Pledged Revenues if certain conditions are met; prohibit issuance of any obligation having a lien on the Pledged Revenues prior and superior to the lien of the Bonds; provide conditions for issuance of refunding bonds with a lien upon the Pledged Revenues; and set forth protective covenants for the benefit of the bondholders.

Sections 20 through 24 define events of default under the Bond Resolution; state rights and remedies of bondholders upon occurrence of an event of default; provide for amendment to Bond Resolution; provide for defeasance of the Bonds; and set forth details related to Bonds not presented when due.

Sections 25 through 36 delegate powers to the officers of the University; provide the Resolution is irrevocable so long as the Bonds are outstanding; require State Board of Finance and Higher Education Department approval prior to issuance of the Bonds; provide a severability and a repealer clause; provide for custody of the Bonds, and tax exemption covenants for the 2019A Bonds, authorize further procedures; provide for publication of this notice; call the bonds to be refunded for prior redemption, and provide for an effective date.

A copy of the Resolution is on file in the office of the Senior Vice President for Administration and Finance of New Mexico State University, Hadley Hall, Room 110 at New Mexico State University, in Las Cruces, New Mexico, where it may be examined during regular business hours of the University from 8:00 a.m. to 12:00 p.m. and 1:00 p.m. to 5:00 p.m. The Resolution shall be so available for inspection for a period of at least thirty (30) days from and after the date of the publication of this notice.

NOTICE IS FURTHER GIVEN that, pursuant to law, for a period of thirty (30) days from and after the date of publication of this notice, any person in interest shall have the right to contest the validity of any proceedings had or taken by the Regents preliminary to the authorization and issuance of the Bonds, and that after the passage of thirty (30) days from this publication any action attacking the validity of any proceedings had or taken by the Regents preliminary to and in the authorization and issuance of the Bonds is perpetually barred by the Public Securities Limitation of Action Act, Sections 6-14-4 to 6-14-7 NMSA 1978.

DATED: September 4, 2019

Luke Sanchez, Secretary-Treasurer
The Regents of
New Mexico State University

(End of Form of Notice)

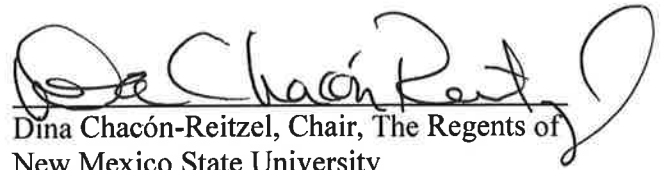
Section 35. Call for Redemption and Defeasance of 2019A Refunded Bonds and 2019B Refunded Bonds. The Regents have elected and hereby declare their intent to exercise on behalf and in the name of the University their option to defease and redeem the 2019A Refunded Bonds and the 2019B Refunded Bonds at a redemption price equal to 100.00% of the principal amount of the 2019A Refunded Bonds and 2019B Refunded Bonds, plus accrued interest to the first optional respective redemption dates of the 2019A Refunded Bonds and the 2019B Refunded Bonds pursuant to the Escrow Agreement.

Section 36. Effective Date. The Bond Resolution shall take effect on the date adopted and approved as set forth below.

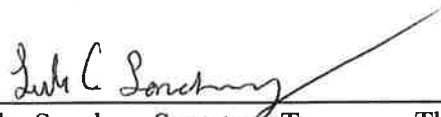
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Adopted and approved on September 4, 2019.




Dina Chacón-Reitzel, Chair, The Regents of
New Mexico State University

ATTEST:



Luke Sanchez, Secretary-Treasurer, The Regents of
New Mexico State University

Regent Debra Hicks then moved adoption of the foregoing resolution, duly seconded by Regent Ammu Devasthali.

The motion to adopt the resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye:	Dina Chacón-Reitzel
	Ammu Devasthali
	Luke Sanchez
	Debra Hicks

Those Voting Nay:	None
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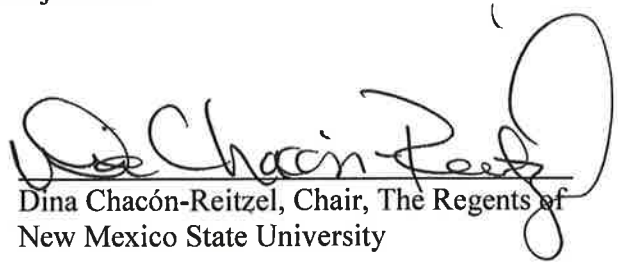
Those Absent:	None
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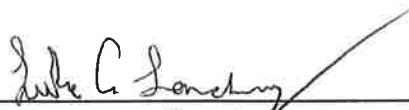
Four (4) Regents having voted in favor of said motion, the Chair declared said motion carried and said resolution adopted, whereupon the Chair and the Secretary-Treasurer signed the resolution upon the records of the minutes of the Regents.

After consideration of the matters not relating to the resolution, the meeting on motion duly made, seconded and unanimously carried, was adjourned.



ATTEST:


Dina Chacón-Reitzel, Chair, The Regents of
New Mexico State University


Luke Sanchez, Secretary-Treasurer, The Regents of
New Mexico State University

STATE OF NEW MEXICO)
COUNTY OF DOÑA ANA)ss.
NEW MEXICO STATE UNIVERSITY)

I, Luke Sanchez, Secretary-Treasurer of The Regents of New Mexico State University, do hereby certify that the above and foregoing is a true, full and correct copy of a Resolution adopted by the Regents at a regular meeting held on the 4th day of September, 2019.

IN WITNESS WHEREOF, I have set my hand and seal of the Regents of New Mexico State University, this the 4th day of September, 2019.



A handwritten signature in black ink that reads "Luke C. Sanchez". The signature is written in a cursive style and extends above a horizontal line.

Luke Sanchez, Secretary-Treasurer,
The Regents of New Mexico State University