

MINUTES OF BUDGET AND CONTROL BOARD MEETING

AUGUST 23, 1962

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The State Budget and Control Board met in the Governor's Office at 3:30 P. M., on August 23, 1962. All members of the Board were present.

General Mark Clark, President of The Citadel, appeared before the Board and informed the Board that there was a strong probability that the British Government would very soon retire the British Submarine Seraph, and that there was a likelihood that this submarine would be offered as a gift to The Citadel on condition that it be properly displayed and maintained. General Clark stated that the Seraph had a remarkable history in World War II, and that it was the ship which carried him and other^s to North Africa on a secret mission in connection with the preparations of the invasion of North Africa by the Allied Forces during World War II.

General Clark stated that the estimated amount necessary to properly display the ship on The Citadel grounds so as to be safely visited by the public, would be in the neighborhood of \$150,000.00. He stated that he wished to apply for permission to issue bonds of \$1,000,000.00 for the purpose of covering this cost and other improvements at The Citadel.

The Budget and Control Board voted approval of this request subject to the ability of The Citadel to issue bonds according to the institutional bond act.

The Board granted approval to the State Department of Education to receive Federal Funds for the implementation of the Training Program proposed in connection with the manpower development and training act of the Federal Government, the approval being for the period of two years only at this time.

The Board approved the renewal of options by the Penitentiary on certain lands in Berkeley and Dorchester counties for the proposed First Offenders Camp. The cost of these options for a six months period amount to \$7,210.00, which sum would be applied on the purchase price of the land if the purchase is consummated within the time of the options.

At the request of the State Department of Public Welfare the Board approved a salary of \$15,000.00 for the fiscal year 1962-1963 for the Director of the Department.

The Board decided that the use of a balance of appropriations for the year 1961-1962 for the S. C. Sanatorium would not be available for financing a project to be begun during the current fiscal year, and therefore declined to grant the request of the Sanatorium for such use of these funds.

The Board agreed to underwrite the cost of a plane pilot by the Law Enforcement Division of the Governor's Office to the extent of \$5,000.00, the amount to be provided from the Civil Contingent Fund in case it could not be met from the appropriation for that division.

The Board approved the allotment of \$1,835.63 from the 1961-62 Civil Contingent Fund for various classifications in the Governor's Office.

The Board agreed to supply to the State Development Board from the current year Civil Contingent Fund the amount of \$6,700.00, ^{Net total \$6,696.24 - 87rs} or there about, to complete payment for replacing a motor in the Development Board plane.

The Board approved the issuance of \$1,000,000.00 in bonds for the State Hospital, and the purchase of these bonds by the State Retirement System, according to the resolutions attached hereto and made a part of these minutes.

The Board approved an application from Clemson College for the issuance of bonds in the sum of ^{600,000.00} ~~\$550,000.00~~ for the erection of a woman's dormitory, these approvals being subject to the ability of the institutions to borrow within the limits of the authorizing acts.

The Board agreed to initiate and pay the cost of a study of the old police retirement system, and what should be done to make it safe for the members thereof, the cost of this study not to exceed the sum of \$3,000.00. The Secretary of the Board was directed to authorize the Director of the Retirement System to provide such a study.

There being no further business the Board adjourned.

SINKLER, GIBBS & SIMONS
ATTORNEYS & COUNSELLORS AT LAW

TELEPHONE RAYMOND 2-3367

HUGER SINKLER
CHARLES H. GIBBS
ALBERT SIMONS, JR.
THEODORE B. GUERARD
C. DANA SINKLER

23 BROAD STREET
CHARLESTON, S. C.

August 18, 1962

P. C. Smith, Esq.
120 Hampton Office Building
Columbia, South Carolina

Dear Pat:

Re: \$1,000,000 South Carolina State Hospital Notes.

We enclose herein the original of the Resolution to be adopted by the State Budget and Control Board, authorizing the issuance of the above Notes, together with the fully Registered Note.

On Monday we will send you the four transcripts of proceedings covering this issue.

With kind regards,

Sincerely yours,

Sinkler, Gibbs & Simons

ASjr:mw
Enc.

1 1676

*Adapted by the Board
August 23, 1962
J.M.S.*

RESOLUTION OF STATE BUDGET AND CONTROL BOARD

WHEREAS, it was provided by Act No. 455 of the Acts of the General Assembly for the year 1961 that if the approval of the State Budget and Control Board of the State of South Carolina be obtained and expressed by proper resolution, Notes of the State of South Carolina might be issued as follows:

- (a) Not exceeding \$5,000,000 for the construction and equipping of additional facilities for South Carolina State Hospital; and
- (b) Not exceeding \$1,500,000 for additional facilities at Whitten Village; and

WHEREAS, the Act of 1961 was amended by an Act enacted at the regular session of the General Assembly for the year 1962, entitled "AN ACT TO INCREASE THE AUTHORIZATION FOR EXPENDITURES FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 OF 1961 FROM FIVE MILLION DOLLARS TO SIX MILLION DOLLARS, TO PERMIT THE RETIREMENT BEFORE MATURITY OF ONE MILLION DOLLARS OF NOTES ISSUED PURSUANT TO ACT NO. 455 WITH FUNDS IN THE SINKING FUND ESTABLISHED TO SECURE ALL NOTES ISSUED FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 AND TO PERMIT THE ISSUANCE OF NOTES FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 TO THE EXTENT OF FIVE MILLION DOLLARS IN ADDITION TO THE ONE MILLION DOLLARS HERETOFORE ISSUED PURSUANT TO ACT NO. 455, Approved March, 1962"; and

WHEREAS, the effect of the 1962 amendment was to leave in full force and effect and unaffected the authorization for Whitten Village and to increase the authorization for South Carolina State Hospital to the extent that an aggregate of SIX MILLION DOLLARS (\$6,000,000) of Notes might be issued for such institution if the \$1,000,000 of Notes issued as of June 1, 1961 shall, with the consent of the holder thereof, be retired with moneys in the Sinking Fund established for Notes issued on behalf of South Carolina State Hospital by Paragraph 4 of

Section 2 of Act No. 455; and

WHEREAS, the \$1,000,000 of Notes issued as of June 1, 1961 have been duly retired with the consent of the holder of said Notes, and thereafter the authorization for South Carolina State Hospital was utilized to the extent that \$1,000,000 of Notes were issued as of June 1, 1962, maturing in twenty (20) successive, equal annual instalments of \$50,000 each on the first day of June in the years 1963 to 1982, inclusive, and with interest at the rate of 4-1/2% per annum; and

WHEREAS, the program authorized for South Carolina State Hospital is continuing and an aggregate of an additional \$1,000,000 is now required therefor; and

WHEREAS, by reason of the foregoing it is intended that the authorizations of Act No. 455 of 1961, as amended, be availed of to the extent of borrowing \$1,000,000 for South Carolina State Hospital pursuant to the authorizations of said Act No. 455, as amended; and

WHEREAS, in and by said Act as now amended it is provided that in the instance of South Carolina State Hospital there shall be pledged for the payment of the principal and interest of the Notes authorized pursuant to said Act, all revenues derived by South Carolina State Hospital from paying patients, and such revenues have been and are now being impounded, and

WHEREAS, it is provided by Act No. 455, as amended, that the Notes thereby authorized may be issued either as a single issue or from time to time as several separate issues; and

WHEREAS, by reason thereof the State Budget and Control Board is minded, and intends by the adoption of this Resolution to make provision for the issuance of \$1,000,000 of Notes for South Carolina State Hospital; and

WHEREAS, it is provided by Act No. 455 as amended that such Notes as may be issued pursuant thereto shall be additionally secured by a pledge of so much of the revenues as may here-

after be derived from the tax or taxes imposed by the provisions of Article 6, Chapters 7 and 8, Title 65, Code of Laws of South Carolina, 1952, as amended, upon inheritances, gifts or estates of deceased persons, and that such pledge shall be on a parity with that previously made and now securing certain obligations heretofore issued pursuant to Act No. 234 of the Acts of 1955, if the holders of the now outstanding portion of the obligations issued pursuant to Act No. 234 of the Acts of 1955 shall give their consent there; and

WHEREAS, the State Budget and Control Board, as Trustee of the funds of the South Carolina Retirement System, the owner and holder of the outstanding Notes issued pursuant to Act No. 234 of the Acts of 1955 and the Notes issued pursuant to Act No. 455, as amended by the Act of 1962, gave its consent that the Notes issued as of June 1, 1962 might be additionally secured as contemplated by said Act No. 455, as amended; and

WHEREAS, it is apparent from the certificate of the State Auditor, attached to this Resolution, that revenues derived from the taxes levied by the State of South Carolina upon inheritances, gifts and the estates of deceased persons are sufficient to meet not only the outstanding obligations held by the State Budget and Control Board in its capacity as Trustee of the funds of the South Carolina Retirement System, but to meet the payment of the principal and interest of all Notes authorized by Act No. 455, as amended; and

WHEREAS, by virtue of all of the foregoing, the State Budget and Control Board is minded and intends to accomplish the foregoing by the adoption of this Resolution, that is to say, viz:

- (1) To authorize and effect the issuance of \$1,000,000 of Notes pursuant to the said Act No. 455, as amended, for South Carolina State Hospital;
- (2) To effect the purchase of the Notes now authorized by itself in its capacity as Trustee of the funds of the South Carolina Retirement System, as an investment of moneys for such fund;

(3) To prescribe the form of Notes now to be issued pursuant to said Act No. 455, as amended, and to direct the manner of the expenditure of their proceeds, and to make provision for the payment of the principal and interest of said Notes, all as authorized by said Act No. 455, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF THE STATE OF SOUTH CAROLINA:

SECTION 1.

Pursuant to the provisions of Act No. 455 of 1961, as amended, the State Budget and Control Board authorizes and empowers the Governor and State Treasurer to issue \$1,000,000 of Notes of the State of South Carolina (herein called "Hospital Notes"), whose proceeds shall be expended to defray costs to be incurred by the Mental Health Commission for additional facilities at South Carolina State Hospital which are authorized by said Act No. 455, as amended.

SECTION 2.

Said Hospital Notes shall be initially issued in fully registered form and as a single fully registered Note, in the name of State Budget and Control Board of South Carolina, as Trustee of the funds of the South Carolina Retirement System, and payable to said State Budget and Control Board of South Carolina as such Trustee, or to its assigns. The said Hospital Notes as initially issued may be afterwards be re-issued in coupon form in the denomination of \$1,000 each, and with numbering corresponding to the unmatured instalments of principal, upon the request and at the expense of the registered holder thereof, and upon such terms and in such form as the State Budget and Control Board shall prescribe, and if hereafter, pursuant to the request of such registered holder the State Budget and Control Board shall make provision for the conversion of said fully registered Note (or portions thereof) into Notes in

coupon form, then in such event it shall become the duty of those who may hold office as Governor and State Treasurer to effect the execution, issuance and delivery of such Hospital Notes in coupon form.

SECTION 3.

Said Hospital Notes shall be dated September 1, 1962, shall bear interest at the rate of four and one-half per centum (4-1/2%) per annum, payable on the first days of March and September of each year, beginning March 1, 1963, and shall mature in twenty successive equal annual instalments of \$50,000 each on September 1 in each of the years 1963 to 1982, inclusive.

SECTION 4.

The State of South Carolina reserves the right to effect the prepayment, on any interest payment date after March 1, 1967, of any portion of the indebtedness evidenced by said Hospital Notes that it may determine upon, in the inverse chronological order of the maturities of the principal instalments, and in multiples of \$1,000, at a redemption price equal to the par value of the principal amount so redeemed, and accrued interest to the date fixed for redemption, plus a redemption premium equal to 2% of the principal amount so redeemed.

If the option to redeem shall be exercised, notice of redemption shall be given to the holder of said Hospital Notes at least thirty (30) days prior to the prepayment date, by mailing to such holder a notice prescribing such prepayment date and specifying the amount of principal (and premium) to be prepaid.

SECTION 5.

Payment of interest and instalments of principal of said Hospital Notes and portions thereof (if the privilege of prepayment be exercised) shall be effected by check or draft drawn by the State Treasurer. Such payments shall be effected by the use of funds pledged for the payment of the principal and interest of the Notes. All payments of principal and interest shall be duly endorsed upon the payment record appended to said registered Note.

SECTION 6.

If hereafter, and pursuant to the right granted to the holder of said registered note, it shall cause the same to be converted into coupon form, then in such instance all payments of principal and interest shall be payable at the office of the State Treasurer in the City of Columbia, State of South Carolina, or, at any agency of the State of South Carolina, in the City of New York, State of New York. The right to effect prepayment of Hospital Notes issued in coupon form shall continue and the method of giving notice of the right to redeem shall be hereafter prescribed by the State Budget and Control Board in proceedings to be adopted providing for the conversion of such Hospital Notes into coupon form.

SECTION 7.

Such Hospital Notes as originally issued in fully registered form shall be executed on behalf of the State of South Carolina by the Governor and State Treasurer. The Great Seal of the State shall be affixed thereto and the same shall be attested by the Secretary of State. If hereafter all or any portion of the principal of such Note shall be converted into Hospital Notes in coupon form, such Notes in coupon form shall be dated as of September 1, 1962, and shall be executed by those holding the aforesaid offices on the date of the conversion. Coupons to be attached to such Hospital Notes when outstanding in coupon form shall be signed by the facsimile signature of the person holding office as State Treasurer on the occasion of the conversion.

SECTION 8.

Subject (as provided for in Section 9, infra) to the right reserved to issue additional Hospital Notes pursuant to said Act No. 455, as now amended, and to the extent therein permitted, on a parity in all respects with the Hospital Notes now outstanding and herewith provided to be issued, for the payment of the principal and interest of said Hospital Notes

there is hereby pledged all revenues derived by South Carolina State Hospital from its paying patients and in the fund heretofore created. All moneys so derived shall be collected by the Treasurer of South Carolina State Hospital, or his deputies or agents, and shall be remitted monthly to the State Treasurer, who shall cause the same to be deposited in a special fund applicable solely to the payment of the principal and interest of such Hospital Notes, as the same respectively mature. Moneys in such fund may be invested or reinvested in direct obligations of the United States of America and said fund shall be applied solely to effect the payment of the principal and interest of all Hospital Notes issued pursuant to Act No. 455 of 1961, as amended.

Subject to the right reserved by Act No. 455, as amended, to issue additional obligations of the State of South Carolina, secured by a pledge or pledges on a parity with the pledges made to additionally secure the payment of the principal and interest of the Hospital Notes issued pursuant to said Act No. 455, as amended, there is hereby pledged so much of the revenues as may be derived from the tax or taxes imposed by the provisions of Article 6, Chapters 7 and 8, Title 65, Code of Laws of South Carolina, 1952, as amended, or any tax levied by the State of South Carolina in lieu of the present tax levied upon inheritances, gifts and the estates of deceased persons.

Whenever funds derived from paying patients of South Carolina State Hospital shall be insufficient to effect the punctual payment of the principal and interest of Hospital Notes, the State Treasurer shall forthwith withdraw from the moneys derived from the tax levied by the State of South Carolina on inheritances, gifts and the estates of deceased persons, sufficient moneys to effect the punctual payment of the principal and interest of Hospital Notes.

The pledge herewith made of moneys derived from taxes levied upon inheritances, gifts and the estates of deceased persons is hereby declared to be on a parity with the following existing pledges:

- (a) The pledge heretofore made to secure the outstanding obligations issued pursuant to Act No. 234 of the Acts of 1955; and
- (b) The pledge made to additionally secure the payment of the principal and interest on all Notes issued pursuant to Act No. 455, as amended.

SECTION 9.

The right is fully reserved to hereafter effect the issuance of additional Hospital Notes within the aggregate principal limitations now set forth in said Act No. 455, as amended, and such additional Hospital Notes when issued pursuant thereto shall be on a parity in all respects with the Hospital Notes now outstanding and the Hospital Notes whose issuance is herewith provided for, notwithstanding that such additional Hospital Notes may bear a different interest rate, numbering, date, date of execution or date of delivery, and in the event that additional Hospital Notes be issued pursuant to Act No. 455, as amended, the revenues derived from paying patients at South Carolina State Hospital and the special fund established above for the payment of the principal and interest of all Hospital Notes issued pursuant to Act No. 455, as amended, shall be equally available for the payment of the principal and interest of additional Hospital Notes issued pursuant to said Act No. 455, as amended.

SECTION 10.

The form of said Hospital Note as originally issued in fully registered form shall be as follows:

UNITED STATES OF AMERICA

STATE OF SOUTH CAROLINA

SOUTH CAROLINA STATE HOSPITAL NOTE

(ISSUED PURSUANT TO ACT NO. 455 OF THE ACTS OF
1961 AS AMENDED BY ACT APPROVED MARCH 22, 1962)

NUMBER R-3

\$1,000,000

The STATE OF SOUTH CAROLINA hereby acknowledges itself
indebted, and for value received, promises to pay to the

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA
as Trustee of the funds of the South Carolina Retirement System,
or its registered assigns, the principal sum of

ONE MILLION DOLLARS

on the first day of September in the years and instalments as
follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1963	\$50,000	1973	\$50,000
1964	\$50,000	1974	\$50,000
1965	\$50,000	1975	\$50,000
1966	\$50,000	1976	\$50,000
1967	\$50,000	1977	\$50,000
1968	\$50,000	1978	\$50,000
1969	\$50,000	1979	\$50,000
1970	\$50,000	1980	\$50,000
1971	\$50,000	1981	\$50,000
1972	\$50,000	1982	\$50,000

and to pay to the registered holder hereof interest on the bal-
ance of said principal sum from time to time remaining unpaid,
at the rate of four and one-half per centum (4-1/2%) per annum,
payable semi-annually on March 1 and September 1 of each year,
commencing March 1, 1963, until the principal amount hereof
has been fully paid. Both the principal of and interest on
this Note are payable in any coin or currency which, on the
respective dates of payment thereof, shall be legal tender
for the payment of public and private debts, by check or draft
issued by the State Treasurer of the State of South Carolina to
the registered holder hereof.

THIS NOTE, designated as SOUTH CAROLINA STATE HOSPITAL NOTE, is issued pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, including particularly the provisions of Act No. 455 of the Acts of the General Assembly for the year 1961, as amended by an Act entitled "AN ACT TO INCREASE THE AUTHORIZATION FOR EXPENDITURES FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 OF 1961 FROM FIVE MILLION DOLLARS TO SIX MILLION DOLLARS, TO PERMIT THE RETIREMENT BEFORE MATURITY OF ONE MILLION DOLLARS OF NOTES ISSUED PURSUANT TO ACT NO. 455 WITH FUNDS IN THE SINKING FUND ESTABLISHED TO SECURE ALL NOTES ISSUED FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 AND TO PERMIT THE ISSUANCE OF NOTES FOR THE SOUTH CAROLINA STATE HOSPITAL PURSUANT TO ACT NO. 455 TO THE EXTENT OF FIVE MILLION DOLLARS IN ADDITION TO THE ONE MILLION DOLLARS HERETOFORE ISSUED PURSUANT TO ACT NO. 455", Approved March 22, 1962 (hereinafter collectively called the "Enabling Act"), and Resolutions duly adopted by the State Budget and Control Board of South Carolina for the purpose of raising moneys for additional facilities at South Carolina State Hospital.

In addition to the instalments of principal required to be paid as hereinabove set forth, the right is reserved to the State of South Carolina to prepay on September 1, 1967, and all subsequent interest payment dates, instalments of principal in inverse chronological order, and in multiples of \$1,000, and at the price of 102% (expressed in terms of percentage amount of such prepayment), plus accrued interest to the date of prepayment.

Notice of any such optional prepayment shall be given at least thirty days prior to the prepayment date by mailing to the registered owner of this Note a notice fixing such prepayment date, the amount of principal and the premium, if any, to be prepaid.

THIS NOTE may be assigned and upon such assignment the assignor shall promptly notify the State Treasurer in the City of Columbia, South Carolina, by registered mail, and upon the surrender of this Note to the State Treasurer either in exchange for a new fully registered Note or for transfer on the registration records and verification of the endorsements made on the Payment Record attached hereto of the portion of the principal amount hereof and interest hereon paid or prepaid, and every such assignee shall take this Note subject to such condition.

As provided in the Resolution of State Budget and Control Board, making provision for the issuance of this Note, this Note is exchangeable, at the expense of the holder, and upon terms and conditions to be prescribed by the said State Budget and Control Board, for coupon Notes in such form as the said State Budget and Control Board shall prescribe, of the denomination of \$1,000 each, in an aggregate principal amount equal to the unpaid principal amount of this Note on the occasion of such conversion.

For the payment of the instalments of principal of and interest on this Note, as the same respectively mature, there are hereby pledged all revenues derived from paying patients at South Carolina State Hospital and the moneys in the Sinking Fund established pursuant to the directive of the Enabling Act. And, in addition thereto, and as further security for the payment of the instalments of principal of and interest on this Note, there are hereby pledged, to the extent related in the aforesaid Resolution of the State Budget and Control Board, the revenues derived by the State of South Carolina from the taxes levied upon inheritances, gifts and estates of deceased persons.

The pledge of revenues derived from paying patients at South Carolina State Hospital is declared to be on a parity with any pledge hereafter made to secure the payment of the principal and interest of Notes hereafter issued for South

Carolina State Hospital pursuant to the Enabling Act.

The pledge of the revenues derived from the taxes levied by the State of South Carolina upon inheritances, gifts and the estates of deceased persons is on a parity with an existing pledge made to secure the now outstanding \$400,000 of an original issue of \$1,000,000 of Notes issued pursuant to Act No. 234 of the Acts of 1955, and all Notes issued or to be issued pursuant to the Enabling Act.

The right is further reserved to issue additional obligations of the State of South Carolina to be authorized by legislation subsequently to be enacted and to be secured by a pledge on a parity with the pledge of revenues derived from the taxes levied upon inheritances, gifts and estates of deceased persons, to the extent and under the conditions related in the Enabling Act.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts and things required by the Constitution or Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Note, exist, have been performed and have happened, and that the amount of this Note, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution or Statutes.

IN WITNESS WHEREOF, the STATE OF SOUTH CAROLINA has caused this NOTE to be signed by the Governor of South Carolina and by the State Treasurer of South Carolina, and has caused the Great Seal of the State to be affixed hereto or impressed hereon and attested by the Secretary of State, and this Note to be dated the first day of September, 1962.

(SEAL)

Governor

State Treasurer

Attest:

Secretary of State

1688

FORM OF ASSIGNMENT

(A form similar to this but not attached to the within Note may also be used)

FOR VALUE RECEIVED, the undersigned hereby sells,
assigns and transfers unto _____
the within Note of the State of South Carolina, and hereby
irrevocably constitutes and appoints _____
Attorney, to transfer the same on books of the State Treasurer,
with full power of substitution in the premises.

Dated:

Date of Registration	Name of Registered Holder	Signature of State Treasurer or Deputy
<u>September 1, 1962</u>	<u>State Budget and Control Board of South Carolina, as Trustee</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due	Interest Payment 4-1/2%	Date Paid	Signature of State Treasurer or his Deputy
Mar. 1 1963	-	:	:	:	:
Sept. 1 1963	\$50,000	:	:	:	:
Mar. 1 1964		:	:	:	:
Sept. 1 1964	\$50,000	:	:	:	:
Mar. 1 1965		:	:	:	:
Sept. 1 1965	\$50,000	:	:	:	:
Mar. 1 1966		:	:	:	:
Sept. 1 1966	\$50,000	:	:	:	:
Mar. 1 1967		:	:	:	:
Sept. 1 1967	\$50,000	:	:	:	:
Mar. 1 1968		:	:	:	:
Sept. 1 1968	\$50,000	:	:	:	:
Mar. 1 1969		:	:	:	:
Sept. 1 1969	\$50,000	:	:	:	:
Mar. 1 1970		:	:	:	:
Sept. 1 1970	\$50,000	:	:	:	:
Mar. 1 1971		:	:	:	:
Sept. 1 1971	\$50,000	:	:	:	:
Mar. 1 1972		:	:	:	:
Sept. 1 1972	\$50,000	:	:	:	:
Mar. 1 1973		:	:	:	:

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due	Interest Payment 4-1/2%	Date Paid	Signature of State Treasurer or his Deputy
Sept. 1 1973	\$50,000	:	:	:	:
Mar. 1 1974		:	:	:	:
Sept. 1 1974	\$50,000	:	:	:	:
Mar. 1 1975		:	:	:	:
Sept. 1 1975	\$50,000	:	:	:	:
Mar. 1 1976		:	:	:	:
Sept. 1 1976	\$50,000	:	:	:	:
Mar. 1 1977		:	:	:	:
Sept. 1 1977	\$50,000	:	:	:	:
Mar. 1 1978		:	:	:	:
Sept. 1 1978	\$50,000	:	:	:	:
Mar. 1 1979		:	:	:	:
Sept. 1 1979	\$50,000	:	:	:	:
Mar. 1 1980		:	:	:	:
Sept. 1 1980	\$50,000	:	:	:	:
Mar. 1 1981		:	:	:	:
Sept. 1 1981	\$50,000	:	:	:	:
Mar. 1 1982		:	:	:	:
Sept. 1 1982	\$50,000	:	:	:	:

1691

A RESOLUTION

PROVIDING FOR THE ISSUANCE AND SALE OF SIX HUNDRED THOUSAND DOLLARS (\$600,000) STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1962, OF THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, DATED SEPTEMBER 1, 1962, AND OTHER MATTERS RELATING THERETO.

WHEREAS, by Act No. 456 of the General Assembly of the State of South Carolina for the year 1961, entitled "AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA TO ACQUIRE ADDITIONAL STUDENT AND FACULTY HOUSING FACILITIES; TO EMPOWER THE BOARD OF TRUSTEES TO EFFECT LOANS FOR SUCH PURPOSES, THROUGH THE ISSUANCE OF REVENUE BONDS AND ALSO FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS PAYABLE FROM THE REVENUES DERIVED FROM STUDENT AND FACULTY HOUSING FACILITIES, THROUGH THE MEANS OF THE AUTHORIZATIONS OF THIS ACT; TO DEFINE THE PROCEDURE BY WHICH SUCH LOANS MAY BE EFFECTED AND THE COVENANTS AND UNDERTAKINGS TO SECURE THE LOANS; TO MAKE PROVISION FOR THE PAYMENT OF LOANS; AND TO DECLARE VALID CERTAIN BONDS HERETOFORE ISSUED FOR ANY OF SUCH PURPOSES," approved March 29, 1961 (hereinafter in this Resolution referred to and defined as "ENABLING ACT"), the Board of Trustees of The Clemson Agricultural College of South Carolina (hereinafter in this Resolution referred to and defined as the "TRUSTEES") was empowered to issue Five Million Dollars (\$5,000,000) of bonds of The Clemson Agricultural College of South Carolina (hereinafter in this Resolution referred to and defined as the "COLLEGE") on a parity with the bonds of the following issues:

- (1) \$3,259,000 of an original issue of \$4,000,000 Barracks Revenue Bonds, dated September 1, 1954 (hereinafter referred to and defined as "PARITY BONDS OF 1954").
- (2) The following now outstanding bonds issued pursuant to Act No. 470 of the Acts of the General Assembly of the State of South Carolina for the year 1957:
 - (a) \$697,000 of an original issue of \$835,000 Student and Faculty Housing Revenue Bonds, Series of 1958, dated March 1, 1958;

- (b) \$682,000 of an original issue of \$775,000 Student and Faculty Housing Revenue Bonds, Series of 1959, dated September 1, 1959; and,
- (c) \$830,000 of an original issue of \$890,000 Student and Faculty Housing Revenue Bonds, Series of 1960, dated September 1, 1960.

(The above bonds are hereinafter referred to and defined as the "PARITY BONDS UNDER THE ACT OF 1957").

if the consent of the holders of the PARITY BONDS OF 1954 and the consent of the holders of the PARITY BONDS UNDER THE ACT OF 1957 be obtained in writing. The ENABLING ACT directs that the proceeds of the Five Million Dollars (\$5,000,000) in bonds shall be applied to the construction, reconstruction, and equipping of dormitories and buildings designed for student and faculty housing and auxiliary and related facilities to be located on lands of the COLLEGE, and to be used for the purpose of providing housing and auxiliary and related facilities for students and faculty of the COLLEGE; and,

WHEREAS, the expanded enrollment of the COLLEGE, which has now become co-educational and is attended by students of both sexes, requires immediate and future expansion of student housing facilities; and,

WHEREAS, all of the PARITY BONDS OF 1954 and all of the PARITY BONDS UNDER THE ACT OF 1957 are held by the State Budget and Control Board as Trustee of the South Carolina Retirement System, which has consented to the issuance of all of the bonds authorized by the ENABLING ACT, including the bonds now proposed to be issued, and all other bonds hereafter to be issued within the limitations of the ENABLING ACT; and,

WHEREAS, such consent will be evidenced by stamping each PARITY BOND OF 1954 and each PARITY BOND UNDER THE ACT OF 1957 with the following notation:

"The undersigned as the owner and holder of this bond hereby agrees that this bond and the pledges and covenants securing the same shall be on a parity in all respects with all bonds issued in compliance with the authority given by Act No. 456 of the Acts of the General Assembly of the State of South Carolina for the year 1961 which

said Act authorizes the issuance of Student and Faculty Housing Revenue Bonds not exceeding in aggregate \$5,000,000 plus additional bonds issued for the purpose of refunding bonds of Clemson College outstanding at the time of the enactment of Act No. 456, and that the disposition of revenues shall be made in accordance with a Resolution adopted by the Board of Trustees of the College, dated October 26, 1962

STATE BUDGET AND CONTROL BOARD
As Trustee of the South Carolina
Retirement System
/s/ J. M. Smith
Its Secretary"

and,

WHEREAS, there is an immediate need for \$600,000 with which to construct and equip a dormitory for female students, with appropriate related facilities; and,

WHEREAS, an appropriate schedule of charges for the use of all student and faculty housing facilities is now in effect and will be applied to the new facility upon its construction; and,

WHEREAS, it has been ascertained that such schedule will produce revenues sufficient to provide suitable coverage for the debt servicing of the bonds now to be issued pursuant to this Resolution, as well as the outstanding bonds on a parity therewith; and,

WHEREAS, in pledging such revenues for the payment of all outstanding bonds and for the bonds authorized by this Resolution, the TRUSTEES fully recognize the undertakings made in a certain Resolution dated September 12, 1950, entitled "A RESOLUTION AUTHORIZING THE ISSUANCE BY THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA OF TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) FACULTY HOUSING REVENUE BONDS AND MATTERS RELATING THERETO" (hereafter referred to as "RESOLUTION OF SEPTEMBER 1950"), wherein it agreed that if funds were not otherwise available for the maintenance and operation of the faculty housing facilities constructed with the proceeds of the bonds authorized by said Resolution, that all revenues which The Clemson Agricultural College of South Carolina receives from all sources whatsoever, except those excluded

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by the provisions of Article VI of the RESOLUTION OF SEPTEMBER 1950, would be pledged to the extent necessary to meet the payment of the costs of maintenance and operation of the said faculty housing facilities; and,

WHEREAS, the TRUSTEES have concluded that the contingent liability affecting the revenues of certain barracks or dormitories as set forth in the RESOLUTION OF SEPTEMBER 1950 does not materially lessen the availability of the revenues necessary to provide debt service for the bonds issued hereunder and the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957; and,

WHEREAS, the TRUSTEES propose, in the adoption of this Resolution, to authorize SIX HUNDRED THOUSAND DOLLARS (\$600,000) of bonds on a parity with the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957, payable, as to principal and interest, in the manner specified by the ENABLING ACT, to prescribe the form and tenor of such bonds, the rights and privileges of the bondholders, the method of disposal of such bonds, the covenants for their security, the undertakings and liabilities of the COLLEGE in the premises, and the right of the COLLEGE to issue further bonds on a parity with the bonds of this issue, and the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957; and

WHEREAS, negotiations have been undertaken with the State Budget and Control Board, as Trustee of the South Carolina Retirement System, which have resulted in the agreement that the said Budget and Control Board, as such Trustee, should purchase, and the COLLEGE shall sell, the bonds, whose issuance is provided for by this Resolution, to bear interest at the rate of four and one-half per centum (4-1/2%) per annum, payable semi-annually at a price of par and accrued interest to the respective dates of delivery of the bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1. Short Title.

This Resolution, including its recitals, may hereafter be cited, and is hereinafter sometimes referred to as the BOND RESOLUTION OF 1962.

Section 2. Definitions.

In this BOND RESOLUTION OF 1962, unless a different meaning clearly appears from the context:

(1) ADDITIONAL PARITY BONDS shall mean any further bonds issued by the COLLEGE pursuant to Act No. 456 of 1961 and other authorizations hereafter granted by the General Assembly of South Carolina which are secured by pledges and covenants on a parity with those securing the BONDS, and the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957.

(2) Articles, Sections and paragraphs mentioned by number are the respective Articles, Sections and paragraphs of this BOND RESOLUTION OF 1962 so numbered.

(3) BONDHOLDER or the term HOLDER, or any similar term when used with reference to a BOND or BONDS shall mean any person who shall be the bearer or registered holder of any outstanding BOND in coupon form, or the registered holder of the BONDS when outstanding in the form of a single fully registered bond.

(4) The term BONDS shall mean the SIX HUNDRED THOUSAND DOLLARS (\$600,000) STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1962, of THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, dated September 1, 1962, which are hereby authorized, and, whenever applicable, said term shall likewise include any coupons appertaining to said BONDS outstanding in coupon form, and all interest to become due on any BONDS not evidenced by coupons.

(5) The term BONDS OF 1950 shall mean the now outstanding bonds of an original issue of \$2,500,000 Faculty Housing Revenue Bonds, dated September 1, 1950, referred to in the preambles

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hereto.

(6) COLLEGE shall mean The Clemson Agricultural College of South Carolina.

(7) The term DEBT SERVICE RESERVE FUND OF 1962 shall mean the fund established to insure the timely payment of the principal of and interest on the BONDS, and to provide for the redemption of BONDS prior to their stated maturity, as established by the provisions of Section 5, Article V hereof.

(8) The term ENABLING ACT shall mean Act No. 456 of the 1961 Acts of the General Assembly of the State of South Carolina, and all other legislation authorizing or confirming the right to issue the BONDS.

(9) The term EXISTING PLEDGE shall refer and relate to the pledge made by Article VI of the RESOLUTION OF SEPTEMBER 1950 authorizing the issuance of the BONDS OF 1950, wherein the TRUSTEES did covenant and agree, on behalf of the COLLEGE:

"....that all revenues which the COLLEGE receives from all sources whatsoever, except those hereinafter excluded by the provisions of this ARTICLE, shall be pledged, to the extent necessary, for the payment of the cost of MAINTENANCE AND OPERATION, and whenever the General Assembly shall fail to make adequate provision for maintenance and operation of the PROJECT, then in that year the first revenues received by the COLLEGE from such sources shall be set apart in a separate fund until the fund contains the sum needed to maintain and operate the PROJECT for that fiscal year."

but it shall not include revenues derived from the barracks listed in the exception to the pledge, viz., the income from Barracks 4, 5, 6, 7 and 8.

(10) The term ENTIRE REVENUES shall mean all moneys which the COLLEGE shall derive, directly or indirectly, from the use, operation or rental of all STUDENT AND FACULTY HOUSING

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FACILITIES, which it may now or hereafter possess, except:

(a), revenues derived from casual users, during the periods when the said dormitories or barracks are not in regular use, and (b), revenues derived during summer school sessions, and which are used, pursuant to legislative directive, for the operation and maintenance of such summer school sessions, but this exception (b) shall not apply if, during the life of the BONDS, it shall become the general custom of as much as **fifty per centum (50%)** of the student body to attend **all summer school sessions**, either in lieu of some other session or as a part of a plan of accelerated college education.

(11) The term FISCAL YEAR shall mean the period of twelve calendar months, beginning on July 1st of each year and ending with June 30th of the succeeding year.

(12) The term PARITY BONDS OF 1954 shall mean the now outstanding bonds described in sub-paragraph (1) in the preambles hereto.

(13) The term PARITY BONDS UNDER THE ACT OF 1957 shall mean the now outstanding bonds described in sub-paragraph (2) in the preambles hereto.

(14) The term PAYING AGENT shall mean the State Treasury in the City of Columbia, State of South Carolina, or any agency of the State of South Carolina, in the City of New York, State of New York.

(15) The term PURCHASER shall mean the State Budget and Control Board, as Trustee for the South Carolina Retirement System, which has agreed to purchase the BONDS, and its successors and assigns.

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(16) The term PREVIOUS RESOLUTIONS shall mean the four Resolutions adopted by the TRUSTEES in making provision for the issuance of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957.

(17) RESOLUTION OF SEPTEMBER 1950 shall mean the Resolution adopted by the TRUSTEES on September 12, 1950 entitled "A RESOLUTION AUTHORIZING THE ISSUANCE BY THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA OF TWO MILLION FIVE HUNDRED THOUSAND (\$2,500,000) DOLLARS FACULTY HOUSING REVENUE BONDS, AND MATTERS RELATING THERETO."

(18) TRUSTEES shall mean the Board of Trustees of the COLLEGE.

(19) STUDENT AND FACULTY HOUSING FACILITIES shall mean all of the quarters, barracks, dormitories, facilities, houses, residences, apartment buildings, used or designed for housing members of the faculty and persons of either sex enrolled as a student of the COLLEGE (including their families), all related or auxiliary facilities, and/or all furniture, furnishings and equipment therein, which are now owned by the COLLEGE, or which may hereafter be acquired by the COLLEGE for any of such purposes. The term STUDENT AND FACULTY HOUSING FACILITIES shall likewise include such property which may be the subject of leasehold estates in favor of the COLLEGE; and such property as to which the COLLEGE may become the beneficial owner, if such property be acquired for, or shall be used for, student or faculty housing.

(20) Words importing persons include firms, associations and corporations.

(21) Words importing the redemption or redeeming or calling for redemption of a BOND do not include or connote the payment of such BOND at its stated maturity or the purchase of such BOND.

(22) Words importing the singular number include the plural number and vice versa.

ARTICLE II

ISSUANCE OF BONDS

Section 1.

In order to obtain funds to the extent of SIX HUNDRED THOUSAND DOLLARS (\$600,000), and in pursuance of the ENABLING ACT, and all other authorizations thereunto enabling, the TRUSTEES direct the issuance of SIX HUNDRED THOUSAND DOLLARS (\$600,000) of STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1962, of THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA. The BONDS shall be dated September 1, 1962, and shall mature in annual series or instalments as follows:

\$12,000 on September 1st, in each of the years
1963 and 1964;

\$14,000 on September 1st, 1965;

\$15,000 on September 1st, 1966;

\$16,000 on September 1st, 1967;

\$18,000 on September 1st, in each of the years
1968 and 1969;

\$20,000 on September 1st, 1970;

\$22,000 on September 1st, 1971;

\$24,000 on September 1st, 1972;

\$28,000 on September 1st, 1973;

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\$31,000 on September 1st, 1974;
\$37,000 on September 1st, 1975;
\$45,000 on September 1st, 1976;
\$63,000 on September 1st, 1977;
\$101,000 on September 1st, 1978;
\$58,000 on September 1st, 1979;
\$46,000 on September 1st, 1980;
\$10,000 on September 1st, in each of the years
1981 and 1982.

Section 2.

The BONDS shall initially be issued as a single fully registered BOND in the amount of \$600,000, and payable to the State Budget and Control Board of South Carolina, as Trustee of the funds of the South Carolina Retirement System, or to its assigns. The BONDS as initially issued may be reissued in coupon form in the denomination of \$1,000 each, and appropriately numbered with the letter "C" preceding the number of each BOND issued in coupon form, upon the request and at the expense of the registered holder as hereinafter provided. BONDS in coupon form shall be dated as of September 1, 1962.

Section 3.

The BONDS shall bear interest, payable semi-annually on the 1st days of March and September of each year, at the rate of four and one-half per centum ($4\frac{1}{2}\%$) per annum, with the first interest payment to fall due on March 1st, 1963. If the BONDS as initially issued in registered form shall be delivered subsequent to September 1st, 1962, then in such event, the interest to become due on March 1st, 1963, shall be computed from the date as of which the BONDS shall be actually delivered. If the BONDS as initially issued shall be converted to coupon form prior to March 1st, 1963, then appropriate credit for accrued interest from the date of the BONDS to the date of the delivery shall be obtained from the registered holder of the fully registered BOND before BONDS in coupon form shall be delivered.

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Upon the issuance of the BONDS, a Bond Register shall be made by the State Treasurer, which shall thereafter be kept so as to show the name and address of the holders of the single fully registered BOND, and all coupon BONDS which shall be registered as to principal.

Section 4.

Payment of interest on the BONDS when outstanding in fully registered form shall be effected by check or draft drawn by the State Treasurer to the order of the registered holder thereof. Interest payments on BONDS when outstanding in coupon form shall be evidenced by appropriate coupons. Payments of principal and interest on BONDS when outstanding in coupon form shall be made only upon the presentation and surrender of the BONDS and coupons.

Section 5.

Both the principal of and interest on said BONDS shall be payable in such coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts. Payment of principal and interest of BONDS in coupon form shall be effected at the office of the PAYING AGENT. Payment of or on account of the principal of fully registered BONDS shall be effected at the office of the State Treasurer, in Columbia, South Carolina, and shall be made only upon presentation of the BOND in order that the payment might be duly endorsed on the Payment Record appended thereto.

Section 6.

(1) The BONDS maturing subsequent to September 1st, 1967, shall be subject to redemption at the option of the COLLEGE

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on September 1st, 1967, and all subsequent interest payment dates, in whole or in part, but if in part: (a), in the inverse chronological order of the maturities of the principal installments and in multiples of \$1,000 when the BONDS shall be outstanding in the form of a single registered BOND, or (b), in inverse numerical order when outstanding in coupon form and in denominations of \$1,000 each, at a redemption price of the par value of the principal amount so redeemed and accrued interest to the date fixed for redemption plus a redemption premium computed as follows:

- (a) If the redemption be effected on or before September 1st, 1972, the redemption premium shall be three per centum (3%) of the principal amount redeemed;
- (b) If the redemption be effected after September 1st, 1972, but on or before September 1st, 1978, the redemption premium shall be two per centum (2%) of the principal amount redeemed; and,
- (c) If the redemption be effected after September 1st, 1978, but prior to the stated maturity of the BOND, the redemption premium of one per centum (1%) of the principal amount redeemed.

(2) Whenever the TRUSTEES have determined to call BONDS which shall be in coupon form, for redemption prior to their stated maturity, they shall give notice of such redemption, by publication of a notice of redemption, describing the BONDS to be redeemed and specifying the redemption date, at least once, not less than thirty days and not more than sixty days prior to the redemption date, in a financial journal published in the City of New York, State of New York, and by

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mailing a copy of such notice, by registered mail, during the period within which the advertisement of the call for redemption must be made, to the last known address of the registered holder of any BOND in coupon form. Whenever the BONDS shall be outstanding in the form of a single fully registered BOND no publication shall be required, but written notice by registered mail shall be given to the holder thereof not more than sixty days and not less than thirty days prior to the date of redemption specifying the amount of principal to be prepaid. Thereafter interest shall cease to accrue from and after the redemption date specified unless the COLLEGE defaults in making due provision for the payment of the redemption price thereof.

Section 7.

(1) The BONDS when outstanding in the form of a single fully registered BOND shall be transferable only by the registered holder or his duly authorized attorney upon the Bond Register, and such transfer duly noted on the single fully registered BOND. On the occasion of all such transfers notation shall be made indicating the date to which interest has been paid.

(2) The BONDS if issued in coupon form shall be negotiable instruments, and shall be transferable by delivery except when registered as to principal in the name of the holder at the office of the Treasurer of the State of South Carolina, in Columbia, South Carolina, on the Bond Register to be kept for the purpose, and such registration shall be noted on the reverse side of each BOND, after which no transfer of such BOND shall be valid unless made on said Bond Register by the registered holder in person, or by his duly authorized attorney,

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and similarly noted on the BOND; but such BOND may be discharged from such registration by being in like manner transferred to bearer, after which it shall again be transferable by delivery, and may again and from time to time be registered or discharged from registration in the same manner. The registration of any BOND in coupon form shall not affect the negotiability of the coupons appertaining thereto, which shall continue to be payable to bearer and transferable by delivery.

The COLLEGE and the PAYING AGENT may treat and consider the bearer of any coupon BOND which shall not at the time be registered as to principal other than to bearer as the holder and absolute owner thereof, whether such BOND shall be overdue or not, for the purpose of receiving payment of the principal or redemption price thereof and for all other purposes whatsoever, except for the purpose of receiving payment of coupons, and neither the COLLEGE nor the PAYING AGENT shall be affected by any notice to the contrary. The COLLEGE and the PAYING AGENT may treat and consider the bearer of any coupon appurtenant to a BOND as the holder and absolute owner thereof, whether such coupon or such BOND shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the COLLEGE nor the PAYING AGENT shall be affected by any notice to the contrary. The COLLEGE and the PAYING AGENT may treat and consider the person in whose name any coupon BOND for the time being shall be registered as to principal upon the books of the State Treasurer as the holder and absolute owner thereof, whether such BOND shall be overdue or not, for the purpose of receiving payment of the principal or redemption price thereof and for all other purposes whatsoever except for the purpose of receiving payment of coupons, and neither the COLLEGE nor the PAYING AGENT shall be affected by any notice

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to the contrary; and payment of, or on account of, the principal or redemption price, if any, of such BOND shall be made only to, or upon the order of, such registered holder thereof. All payments made as in this Section provided shall be valid and effectual to satisfy and discharge the liability upon the several BONDS to the extent of the sum or sums so paid.

Section 8.

The BONDS in either form shall be executed in the name of the COLLEGE by the President of the TRUSTEES of the COLLEGE, under the Corporate Seal of the COLLEGE, and attested by the Secretary of the TRUSTEES. Interest coupons attached to coupon BONDS shall be authenticated by the facsimile signatures of said President and said Secretary. The facsimile signatures appearing on the coupons shall be those of the President and the Secretary who are in office on the date that such coupon BONDS shall be prepared for delivery. The execution of the coupons in such fashion shall be valid and effectual, notwithstanding any subsequent change in the personnel of either of said offices. BONDS in both forms shall be executed by the persons holding office when the BONDS have been prepared and are being made ready for delivery. BONDS executed in this fashion may be validly delivered, notwithstanding changes in the personnel of either office subsequent to their execution.

Section 9.

The BONDS and the interest thereon shall be exempt from all State, County, Municipal, School District, and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise. This provision shall be deemed a part of the contract insuring to the benefit of all holders or beneficiaries of said BONDS.

Section 10.

The TRUSTEES agree that if any BOND shall become mutilated, stolen or lost, they will, upon proof of ownership, and under such conditions as to them seem reasonable, issue BONDS to replace the same.

Section 11.

In the event that the holder of BONDS when outstanding in the form of a single fully registered BOND shall elect to convert the same into BONDS in coupon form (with the privilege of registration as to principal only), then, in such event, such holder shall give not less than sixty days written notice to the COLLEGE, setting forth his desire and specifying the amount then due by way of principal. Thereupon, upon the payment of the cost of printing coupon BONDS being tendered, or security therefor being given, the COLLEGE shall, without further action on the part of the TRUSTEES, cause to be printed that number of BONDS in coupon form which shall correspond to the amount of principal of the BONDS then outstanding, and upon the printing thereof, the same shall be executed and shall be delivered to the holder of the single fully registered BOND upon surrender by such holder of such registered BOND, and in all such instances appropriate notation shall be made upon the Bond Register to record the transaction. No BOND in coupon form shall thereafter be converted into a single fully registered BOND without the consent of the TRUSTEES.

Section 12.

Together with the principal and interest of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957, the principal and interest of the BONDS shall be payable from the ENTIRE REVENUES derived by the COLLEGE from all student and faculty housing facilities which it may now or hereafter possess, and, for the payment of such principal and interest on all of said bonds, and subject only to the EXISTING PLEDGE made by the

RESOLUTION OF SEPTEMBER 1950, such revenues shall be and are hereby irrevocably pledged in the manner, and to the extent hereinafter provided, for the payment thereof. Such pledge shall be deemed discharged as to the ENTIRE REVENUES for any year if all instalments of principal and interest of the bonds hereinabove enumerated, and other bonds on a parity therewith, matured or maturing in such year, shall have been fully paid and discharged, and the COLLEGE shall not be in default as to any covenants made by this BOND RESOLUTION OF 1962, or the PREVIOUS RESOLUTIONS, and, thereafter, such of the ENTIRE REVENUES as may remain may be made use of for such other purposes as the TRUSTEES direct. The provisions of this Section shall not be deemed to prevent the issuance of further bonds of the COLLEGE, payable from such revenues, as ADDITIONAL PARITY BONDS, such right being hereby expressly reserved.

Section 13.

Neither the faith and credit of the State of South Carolina, nor of the TRUSTEES shall be pledged to the payment of said BONDS, or the interest thereon, and there shall be on the face of each BOND a statement, plainly worded, to that effect. Neither shall the members of the TRUSTEES, nor any person required by the provisions of this BOND RESOLUTION OF 1962 to sign the BONDS, be personally liable thereon.

Section 14.

The form of said BONDS when outstanding in the form of a single registered bond, shall be substantially as follows:

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UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA

NO. R-1

\$600,000

THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA
STUDENT AND FACULTY HOUSING REVENUE BOND
SERIES OF 1962

THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA (hereinafter called the "College"), for value received, hereby promises to pay to the STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, as Trustee of the South Carolina Retirement System, or its registered assigns, the principal sum of

SIX HUNDRED THOUSAND DOLLARS (\$600,000)

on the first day of September, in years and instalments as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1963	\$ 12,000	1973	\$ 28,000
1964	12,000	1974	31,000
1965	14,000	1975	37,000
1966	15,000	1976	45,000
1967	16,000	1977	63,000
1968	18,000	1978	101,000
1969	18,000	1979	58,000
1970	20,000	1980	46,000
1971	22,000	1981	10,000
1972	24,000	1982	10,000

in such coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts, and to pay interest on the principal sum, or the balance thereof, from time to time remaining unpaid, in like coin or currency, at the rate of four and one-half per centum (4-1/2%), semi-annually on March 1st and September 1st of each year, commencing March 1st, 1963, until the principal amount hereof has been paid. Payments of interest shall be made to the registered holder by the State Treasurer of South Carolina by check or draft. Payments of principal and interest, including prepayments of instalments of principal, shall be noted on the payment record attached to this Bond, and upon the Bond Register kept in the Office of the State Treasurer. Upon final payment of principal and interest, this Bond shall be surrendered to the State Treasurer for cancellation and surrender to the College.

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THIS BOND constitutes an issue of bonds in the aggregate principal amount of SIX HUNDRED THOUSAND DOLLARS (\$600,000) originally issued as a single fully registered bond pursuant to a Resolution (hereinafter called the "Bond Resolution") duly adopted by the Board of Trustees of The Clemson Agricultural College of South Carolina (hereinafter called "Trustees"), and issued under and in full compliance with the Constitution and Statutes of the State of South Carolina, including particularly an Act of the General Assembly of the State of South Carolina, entitled "AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA TO ACQUIRE ADDITIONAL STUDENT AND FACULTY HOUSING FACILITIES; TO EMPOWER THE BOARD OF TRUSTEES TO EFFECT LOANS FOR SUCH PURPOSES, THROUGH THE ISSUANCE OF REVENUE BONDS AND ALSO FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS PAYABLE FROM THE REVENUES DERIVED FROM STUDENT AND FACULTY HOUSING FACILITIES, THROUGH THE MEANS OF THE AUTHORIZATIONS OF THIS ACT; TO DEFINE THE PROCEDURE BY WHICH SUCH LOANS MAY BE EFFECTED AND THE COVENANTS AND UNDERTAKINGS TO SECURE THE LOANS; TO MAKE PROVISION FOR THE PAYMENT OF LOANS; AND TO DECLARE VALID CERTAIN BONDS HERETOFORE ISSUED FOR ANY OF SUCH PURPOSES," Approved March 29th, 1961 (hereinafter called the "Enabling Act"), to obtain funds for student housing facilities.

The College has the right, at its election, to prepay on September 1, 1967, and all subsequent interest payment dates, the principal instalments due after September 1, 1967, or any portion thereof, in inverse chronological order, and in multiples of \$1,000, the principal amount hereof, plus accrued interest to the date of prepayment at the following redemption prices (expressed in terms of a percentage of the principal amount of such prepayment), viz.: 103% if paid on or before September 1, 1972; 102% if paid after September 1, 1972, but on or before September 1, 1978, and 101% if paid after September 1, 1978, but prior to the stated maturity of the bond. Notice of

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such optional prepayment shall be given at least thirty days prior to the prepayment date by mailing to the registered holder of this Bond a notice fixing such prepayment date, the amount of principal and premium to be prepaid. Such notice shall be sent by registered mail and shall be addressed to the holder at the address shown by the Bond Register. Interest on this Bond, or portions thereof, shall cease to accrue from and after the redemption date specified in such written notice unless the College defaults in the payment of the redemption price thereof.

As provided in the Bond Resolution, this Bond is exchangeable at the sole expense of the holder at any time, upon sixty days' notice, at the request of the registered holder and upon surrender of this Bond to the College at the office of the State Treasurer in the City of Columbia, South Carolina, for negotiable coupon bonds, payable to bearer, registrable as to principal only, of the denomination of One Thousand Dollars (\$1,000) each, in an aggregate principal amount equal to the unpaid principal amount of this Bond, and in the form of such coupon bond as provided for in the Bond Resolution.

Both the principal of and interest on the bonds of this issue are payable from the Entire Revenues derived by the College from all student and faculty housing facilities which it may now or hereafter possess, as the same are defined in the Bond Resolution, and, to the extent prescribed by the Bond Resolution, such revenues are irrevocably pledged to the payment of the principal of and interest on such bonds. The bonds of this issue rank equally and are on a parity with the unmatured bonds of the following issues: (1) Four Million Dollars (\$4,000,000) Barracks Revenue Bonds of The Clemson Agricultural College of South Carolina, dated September 1st, 1954; (2) Eight Hundred Thirty-Five Thousand Dollars (\$835,000) Student and Faculty Housing Revenue Bonds, Series of 1958, of The Clemson Agricultural College of South Carolina, dated March 1st, 1958;

(3) Seven Hundred Seventy-Five Thousand Dollars (\$775,000) Student and Faculty Housing Revenue Bonds, Series of 1959, of The Clemson Agricultural College of South Carolina, dated September 1st, 1959; and (4) Eight Hundred Ninety Thousand Dollars (\$890,000) Student and Faculty Housing Revenue Bonds, Series of 1960, dated September 1st, 1960. The pledge so made is subordinate to the extent mentioned in the Bond Resolution, to an existing but contingent pledge previously made in connection with the issuance of Two Million Five Hundred Thousand Dollars (\$2,500,000) of Faculty Housing Revenue Bonds of The Clemson Agricultural College of South Carolina, dated September 1st, 1950.

Neither the faith and credit of the State of South Carolina nor of the Trustees is pledged to the payment of either the principal of or interest on this Bond, nor shall any member of the Trustees, or any other person signing this Bond, be personally liable thereon.

The Bond Resolution permits the issuance of additional bonds by the College, payable from the revenues pledged to the bonds of this issue to the extent permitted by the Enabling Act, and such additional bonds, if issued in accordance with the provisions of the Bond Resolution, shall rank equally and be on a parity with the bonds of this issue.

The Trustees hereby agree that they will operate and maintain the Student and Faculty Housing Facilities, from whose revenues the principal of and interest on the bonds of this issue are payable, in an efficient and economical manner, and that they will fix and maintain such rentals and charges for such facilities as shall at all times be sufficient (1) to pay the interest on and principal of the bonds of this issue and other bonds on a parity herewith, as and when the same become due and payable; (2) to provide for the operation and

maintenance of such facilities in the manner required by the Bond Resolution; and (3) to enable the College to discharge its contingent commitments referred to supra.

Under authority of the Enabling Act, and by the Bond Resolution, there has been created and granted to and in favor of the holder of the bonds of this issue, a statutory lien (on a parity with the statutory lien securing other bonds of the College on a parity with the bonds of this issue), which is hereby recognized as valid and binding on the Student and Faculty Housing Facilities, from whose revenues the principal of and interest on the bonds of this issue are payable, and such facilities shall remain subject to said statutory lien to the extent provided by the Bond Resolution until the payment in full of the interest on and principal of this Bond. Upon the happening of any event of default, as defined in the Bond Resolution, the principal of all bonds issued pursuant to the Bond Resolution then outstanding may become or may be declared forthwith due and payable in the manner and with the effect provided for in the Bond Resolution.

THIS BOND and the interest hereon are exempt from all State, County, Municipal, School District, and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, and to be performed precedent to or in the issuance of this bond, exist, have happened and have been done and performed in regular and due time, form and manner, and that the amount of the bonds of this issue does not exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA has caused this Bond to be signed by the President

of its Board of Trustees, under its Corporate Seal, attested by the Secretary of its Board of Trustees, and this Bond to be dated the 1st day of September, A. D. 1962, and delivered on the occasion shown below.

(SEAL)

THE CLEMSON AGRICULTURAL COLLEGE OF
SOUTH CAROLINA

BY _____
President of its Board of Trustees

Attest:

Secretary of its Board of Trustees

THIS BOND delivered at Columbia, South Carolina, this
____ day of _____, 1962.

Secretary, Board of Trustees

CERTIFICATE OF STATE TREASURER

THIS BOND is the single fully registered Bond, constituting an issue of \$600,000 Student and Faculty Housing Revenue Bonds, Series of 1962, of The Clemson Agricultural College of South Carolina.

State Treasurer

(A form similar to this but not attached to the within Bond may also be used)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____
the within Bond of THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the same on the books of the State Treasurer, with full power of substitution in the premises.

Dated:

PAYMENT RECORD					
DUE DATE	PRINCIPAL PAYMENT	BALANCE DUE	INTEREST PAYMENT (4-1/2%)	DATE PAID	SIGNATURE OF STATE TREASURER OR DEPUTY
March 1, 1963	:	:	:	:	:
September 1, 1963	:\$12,000	:	:	:	:
March 1, 1964	:	:	:	:	:
September 1, 1964	:\$12,000	:	:	:	:
March 1, 1965	:	:	:	:	:
September 1, 1965	:\$14,000	:	:	:	:
March 1, 1966	:	:	:	:	:
September 1, 1966	:\$15,000	:	:	:	:
March 1, 1967	:	:	:	:	:
September 1, 1967	:\$16,000	:	:	:	:
March 1, 1968	:	:	:	:	:
September 1, 1968	:\$18,000	:	:	:	:
March 1, 1969	:	:	:	:	:
September 1, 1969	:\$18,000	:	:	:	:
March 1, 1970	:	:	:	:	:
September 1, 1970	:\$20,000	:	:	:	:
March 1, 1971	:	:	:	:	:
September 1, 1971	:\$22,000	:	:	:	:
March 1, 1972	:	:	:	:	:
September 1, 1972	:\$24,000	:	:	:	:
March 1, 1973	:	:	:	:	:
September 1, 1973	:\$28,000	:	:	:	:
March 1, 1974	:	:	:	:	:
September 1, 1974	:\$31,000	:	:	:	:
March 1, 1975	:	:	:	:	:
September 1, 1975	:\$37,000	:	:	:	:
March 1, 1976	:	:	:	:	:
September 1, 1976	:\$45,000	:	:	:	:

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PAYMENT RECORD					
DUE DATE	PRINCIPAL PAYMENT	BALANCE DUE	INTEREST PAYMENT (4-1/2%)	SIGNATURE OF STATE TREASURER OR PAID DEPUTY	
March 1, 1977	:	:	:	:	:
September 1, 1977	:\$63,000	:	:	:	:
March 1, 1978	:	:	:	:	:
September 1, 1978	\$101,000	:	:	:	:
March 1, 1979	:	:	:	:	:
September 1, 1979	:\$58,000	:	:	:	:
March 1, 1980	:	:	:	:	:
September 1, 1980	:\$46,000	:	:	:	:
March 1, 1981	:	:	:	:	:
September 1, 1981	:\$10,000	:	:	:	:
March 1, 1982	:	:	:	:	:
September 1, 1982	:\$10,000	:	:	:	:

Section 15.

The form of said BONDS, if issued in coupon form, together with the coupons to be attached thereto, and the registration certificate to be endorsed thereon, shall be substantially as follows:

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTIES OF OCONEE AND PICKENS
THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA
STUDENT AND FACULTY HOUSING REVENUE BOND
SERIES OF 1962

No. C _____

\$1,000

THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA (hereinafter called the "College"), for value received, hereby promises to pay to the BEARER, or, if this bond be registered, to the REGISTERED HOLDER, solely from the revenues described and pledged to the payment of this bond, the principal sum of
ONE THOUSAND DOLLARS
on the 1st day of September, 19____ (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay, solely from said revenues, interest on said principal sum from the date of this bond at the rate of four and one-half per centum (4-1/2%) per annum, payable semi-annually on the 1st days of March and September of each year, according to the tenor, and upon presentation and surrender, of the annexed interest coupons therefor, as such coupons severally mature. Both the principal of and interest on this bond are payable at the office of the State Treasury, in the City of Columbia, State of South Carolina (the Paying Agent), or, at the option of the holder, at any agency of the State of South Carolina, in the City of New York, State of New York, in any coin or currency of the United States of America, which is, at the time of payment, legal tender for the payment of public and private debts.

THIS BOND is one of an issue of bonds, aggregating
SIX HUNDRED THOUSAND DOLLARS (\$600,000). Such issue

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Section 15.

The form of said BONDS, if issued in coupon form, together with the coupons to be attached thereto, and the registration certificate to be endorsed thereon, shall be substantially as follows:

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTIES OF OCONEE AND PICKENS
THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA
STUDENT AND FACULTY HOUSING REVENUE BOND
SERIES OF 1962

No. C _____

\$1,000

THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA
(hereinafter called the "College"), for value received, hereby
promises to pay to the BEARER, or, if this bond be registered,
to the REGISTERED HOLDER, solely from the revenues described
and pledged to the payment of this bond, the principal sum of

ONE THOUSAND DOLLARS

on the 1st day of September, 19____ (unless this bond be sub-
ject to redemption and shall have been duly called for previous
redemption and payment of the redemption price made or provided
for), and to pay, solely from said revenues, interest on said
principal sum from the date of this bond at the rate of four
and one-half per centum (4-1/2%) per annum, payable semi-
annually on the 1st days of March and September of each year,
according to the tenor, and upon presentation and surrender,
of the annexed interest coupons therefor, as such coupons
severally mature. Both the principal of and interest on this
bond are payable at the office of the State Treasury, in the
City of Columbia, State of South Carolina (the Paying Agent), or,
at the option of the holder, at any agency of the State of
South Carolina, in the City of New York, State of New York,
in any coin or currency of the United States of America, which
is, at the time of payment, legal tender for the payment of
public and private debts.

THIS BOND is one of an issue of bonds, aggregating
SIX HUNDRED THOUSAND DOLLARS (\$600,000). Such issue

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was originally issued in the form of a single fully registered bond, and pursuant to the right granted to the registered holder thereof, has been converted into bonds in coupon form, of which this bond is one. All bonds were issued pursuant to a Resolution (hereinafter called the "Bond Resolution") duly adopted by the Board of Trustees of The Clemson Agricultural College of South Carolina (hereinafter called "Trustees"), and issued under and in full compliance with the Constitution and Statutes of the State of South Carolina, including particularly an Act of the General Assembly of the State of South Carolina entitled, "AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA TO ACQUIRE ADDITIONAL STUDENT AND FACULTY HOUSING FACILITIES; TO EMPOWER THE BOARD OF TRUSTEES TO EFFECT LOANS FOR SUCH PURPOSES, THROUGH THE ISSUANCE OF REVENUE BONDS AND ALSO FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS PAYABLE FROM THE REVENUES DERIVED FROM STUDENT AND FACULTY HOUSING FACILITIES, THROUGH THE MEANS OF THE AUTHORIZATIONS OF THIS ACT; TO DEFINE THE PROCEDURE BY WHICH SUCH LOANS MAY BE EFFECTED AND THE COVENANTS AND UNDERTAKINGS TO SECURE THE LOANS; TO MAKE PROVISION FOR THE PAYMENT OF LOANS; AND TO DECLARE VALID CERTAIN BONDS HERETOFORE ISSUED FOR ANY OF SUCH PURPOSES," Approved March 29th, 1961 (hereinafter called the "Enabling Act"), to obtain funds for student housing facilities.

THE BONDS of this issue maturing subsequent to September 1st, 1967, are subject to redemption at the option of the College on September 1st, 1967, and all subsequent interest payment dates, in whole or in part, but, if in part, in inverse numerical order, at a redemption price of par and accrued interest to the date of redemption plus a redemption premium of three per centum (3%) of their par value if redeemed on or before September 1st, 1972, or a redemption premium of two per centum (2%) if redeemed after September 1, 1972, but on or before September 1, 1978, or a redemption premium of one per centum (1%) if redeemed after September 1, 1978,

but prior to the date of their stated maturities. If bonds in coupon form are called for redemption prior to their maturity, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, must be given by the College by publication at least once, not less than thirty days and not more than sixty days prior to the redemption date, in a financial journal published in the City of New York, State of New York, and by mailing a copy of such notice, during the period within which the advertisement of the call for redemption must be made, to the last known address of the holder of any registered bond called for redemption. Interest on the bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice unless the College defaults in the payment of the redemption price thereof. If less than all of the outstanding bonds are to be redeemed prior to their maturity, the bonds to be redeemed shall be redeemed in their inverse numerical order.

Both the principal of and interest on the bonds of this issue are payable from the Entire Revenues derived by the College from all student and faculty housing facilities which it may now or hereafter possess, as the same are defined in the Bond Resolution, and to the extent prescribed by the Bond Resolution, such revenues are irrevocably pledged to the payment of the principal of and interest on such bonds. The bonds of this issue rank equally and are on a parity with the unmatured bonds of The Clemson Agricultural College of South Carolina as follows: (1) Four Million Dollars (\$4,000,000) Barracks Revenue Bonds, dated September 1st, 1954; (2) Eight Hundred Thirty-Five Thousand Dollars (\$835,000) Student and Faculty Housing Revenue Bonds, Series of 1958, dated March 1st, 1958; (3) Seven Hundred Seventy-Five Thousand Dollars (\$775,000)

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but prior to the date of their stated maturities. If bonds in coupon form are called for redemption prior to their maturity, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, must be given by the College by publication at least once, not less than thirty days and not more than sixty days prior to the redemption date, in a financial journal published in the City of New York, State of New York, and by mailing a copy of such notice, during the period within which the advertisement of the call for redemption must be made, to the last known address of the holder of any registered bond called for redemption. Interest on the bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice unless the College defaults in the payment of the redemption price thereof. If less than all of the outstanding bonds are to be redeemed prior to their maturity, the bonds to be redeemed shall be redeemed in their inverse numerical order.

Both the principal of and interest on the bonds of this issue are payable from the Entire Revenues derived by the College from all student and faculty housing facilities which it may now or hereafter possess, as the same are defined in the Bond Resolution, and to the extent prescribed by the Bond Resolution, such revenues are irrevocably pledged to the payment of the principal of and interest on such bonds. The bonds of this issue rank equally and are on a parity with the unmatured bonds of The Clemson Agricultural College of South Carolina as follows: (1) Four Million Dollars (\$4,000,000) Barracks Revenue Bonds, dated September 1st, 1954; (2) Eight Hundred Thirty-Five Thousand Dollars (\$835,000) Student and Faculty Housing Revenue Bonds, Series of 1958, dated March 1st, 1958; (3) Seven Hundred Seventy-Five Thousand Dollars (\$775,000)

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Student and Faculty Housing Revenue Bonds, Series of 1959, dated September 1st, 1959, and (4) Eight Hundred Ninety Thousand Dollars (\$890,000) Student and Faculty Housing Revenue Bonds, Series of 1960, dated September 1st, 1960. The pledge so made is subordinate to the extent mentioned in the Bond Resolution, to an existing but contingent pledge previously made in connection with the issuance of Two Million Five Hundred Thousand Dollars (\$2,500,000) of Faculty Housing Revenue Bonds of The Clemson Agricultural College of South Carolina, dated September 1st, 1950.

Neither the faith and credit of the State of South Carolina, nor the Trustees, is pledged to the payment of either the principal of or interest on this bond, nor shall any members of the Trustees or any other person signing this bond, be personally liable thereon.

The Bond Resolution permits the issuance of additional bonds by the College, payable from the revenues pledged to the bonds of this issue to the extent permitted by the Enabling Act, and if issued in accordance with the provisions of the Bond Resolution, shall rank equally and be on a parity with the bonds of this issue.

THIS BOND is a negotiable instrument. It is transferable by delivery except when registered as to principal otherwise than to bearer. It may be registered as to principal in the name of the holder at the office of the Treasurer of the State of South Carolina, in Columbia, South Carolina, on registry books to be kept for the purpose, such registration to be noted hereon, after which no transfer of this bond shall be valid unless made on said books by the registered holder in person, or by his duly authorized attorney, and similarly

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noted hereon; but this bond may be discharged from registration by being in like manner transferred to bearer, after which it shall again be transferable by delivery; and this bond may again and from time to time be registered or discharged from registration in the same manner. Such registration shall not affect the negotiability of the coupons, which shall continue to be payable to bearer and transferable by delivery.

The Trustees hereby agree that they will operate and maintain the Student and Faculty Housing Facilities, from whose revenues the principal of and interest on the bonds of this issue are payable, in an efficient and economical manner, and that they will fix and maintain such rentals and charges for such facilities as shall at all times be sufficient (1) to pay the interest on and principal of the bonds of this issue and other bonds on a parity herewith, as and when the same become due and payable, (2) to provide for the operation and maintenance of such facilities in the manner required by the Bond Resolution, and (3) to enable the College to discharge its contingent commitments referred to supra.

Under authority of the Enabling Act, and by the Bond Resolution, there has been created and granted to and in favor of the holder or holders of this bond, and the issue of which it forms a part, and to and in favor of the holder or holders of the coupons attached to said bonds, a statutory lien (on a parity with the statutory lien securing other bonds on a parity with the bonds of this issue), which is hereby recognized as valid and binding on the Student and Faculty Housing Facilities, from whose revenues the principal of and interest on these bonds are payable, and such facilities shall remain subject to said statutory lien to the extent provided by the Bond Resolution until the payment in full of the interest on

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and principal of this bond and the issue of which it forms a part. Upon the happening of any event of default, as defined in the Bond Resolution, the principal of all bonds issued pursuant to the Bond Resolution then outstanding may become or may be declared forthwith due and payable in the manner and with the effect provided for in the Bond Resolution.

THIS BOND and the interest hereon are exempt from all State, County, Municipal, School District, and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, and to be performed precedent to or in the issuance of this bond, exist, have happened and have been done and performed in regular and due time, form and manner, and that the amount of this bond, together with all bonds of the issue of which this bond is one, does not exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA has caused this Bond to be signed by the President of its Board of Trustees, under its Corporate Seal, attested by the Secretary of its Board of Trustees, the coupons hereto annexed to bear the facsimile signatures of said President and said Secretary, and this Bond to be dated the 1st day of September, A. D. 1962.

(SEAL)

THE CLEMSON AGRICULTURAL COLLEGE OF
SOUTH CAROLINA

By _____
President of its Board of Trustees

Attest:

Secretary of its Board of Trustees

(COUPON)

(unless the bond hereinafter described be subject to redemption, and be sooner redeemed or its redemption be provided for)

On the first day of
March, 1963*

THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA will pay to
BEARER, TWENTY TWO AND 50/100 DOLLARS \$22.50,

but solely from the revenues pledged to the payment hereof, in any coin or currency of the United States of America which is then legal tender for the payment of public and private debts, upon presentation and surrender of this coupon at the State Treasury, in the City of Columbia, State of South Carolina (The Paying Agent), or, at the option of the holder, at any agency of the State of South Carolina, in the City of New York, State of New York, being the interest then due on its STUDENT AND FACULTY HOUSING REVENUE BOND, SERIES OF 1962, dated the 1st day of September, A. D. 1962, No. _____. Neither the faith and credit of the State of South Carolina nor of the Board of Trustees of The Clemson Agricultural College of South Carolina is pledged to the payment of this coupon.

President, the Board of Trustees,
The Clemson Agricultural College of
South Carolina

Secretary, the Board of Trustees,
The Clemson Agricultural College of South
Carolina.

(PROVISION FOR REGISTRATION TO APPEAR ON THE REVERSE OF EACH BOND)

AT THE REQUEST of the holder the within bond has been registered as to principal in accordance with the provisions contained therein.

DATE OF REGISTRATION	NAME OF REGISTERED HOLDER	SIGNATURE OF STATE TREASURER
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

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ARTICLE III

GENERAL COVENANTS AS TO RATES AND CHARGES

The TRUSTEES covenant and agree to place into effect, to maintain and to revise from time to time, and as often as may be necessary, such schedule of rentals and charges for its STUDENT AND FACULTY HOUSING FACILITIES, as shall at all times be sufficient: (1) to discharge its EXISTING PLEDGE pursuant to the RESOLUTION OF SEPTEMBER 1950, (2) to pay the interest on and principal of the BONDS, of other bonds on a parity therewith, and of any ADDITIONAL PARITY BONDS that may from time to time hereafter be outstanding, as and when the same become due and payable, (3) to provide such sums as may be necessary for the operation and maintenance of such facilities in the manner required by this BOND RESOLUTION OF 1962, and (4) to discharge such other and further obligations as shall be incurred by the COLLEGE under this BOND RESOLUTION OF 1962.

The TRUSTEES further covenant and agree to promulgate rules and regulations, covering the use of its STUDENT AND FACULTY HOUSING FACILITIES, designed to require the maximum use thereof.

ARTICLE IV

ADDITIONAL PARITY BONDS

On behalf of the COLLEGE, the TRUSTEES specifically reserve the right to issue: (1) ADDITIONAL PARITY BONDS to such amount as is authorized by the ENABLING ACT as the TRUSTEES from time to time hereafter deem necessary and proper; and (2) ADDITIONAL PARITY BONDS authorized by legislation subsequently enacted; PROVIDED, that if ADDITIONAL PARITY BONDS be issued pursuant to legislation subsequently enacted, then, in such event, the written consent to the issuance of such bonds

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shall be obtained from the holders of all BONDS and bonds on a parity therewith, and that such consent be evidenced by causing such BONDS to be stamped or otherwise marked in a fashion to indicate the consent herein required.

ARTICLE V

COLLECTION AND DISPOSITION OF REVENUES

Section 1.

On the occasion of the issuance of the PARITY BONDS OF 1954, the ENTIRE REVENUES (subject to the EXISTING PLEDGE) were pledged to the payment of the principal and interest of the PARITY BONDS OF 1954, and no provision was made for the issuance of bonds on a parity therewith. On that basis it was provided that from the ENTIRE REVENUES a specified monthly payment in a fixed dollar amount be first set apart for debt service on the PARITY BONDS OF 1954. Thereafter, provision was made for operation and maintenance of the STUDENT AND FACULTY HOUSING FACILITIES, and it was finally provided that the balance of the ENTIRE REVENUES should be utilized for debt service, and the debt service reserve fund established for the PARITY BONDS OF 1954. The plan for the disposition of the ENTIRE REVENUES was followed on each occasion that the PARITY BONDS UNDER THE ACT OF 1957 were issued. It is now apparent that the use of the fixed dollar amount for debt service is impracticable, in view of the variations in the maturity schedule of the BONDS. The consent of the holders of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957 having been obtained, it has been determined that henceforth the ENTIRE REVENUES shall be disposed of in the manner prescribed by this BOND RESOLUTION OF 1962, which undertakes to make equal provision for the payment of principal and interest of all bonds outstanding, which are payable from the ENTIRE REVENUES, in a manner to provide precise and mathematical parity among such bonds.

Section 2.

The ENTIRE REVENUES which the COLLEGE shall derive from its STUDENT AND FACULTY HOUSING FACILITIES shall be duly collected, segregated from other revenues of the COLLEGE, and remitted from time to time by the COLLEGE to the State Treasurer. Such ENTIRE REVENUES shall be held by the State Treasurer and disposed of for the purposes and in the order of priority established by Sections 3 and 4, infra.

Section 3.

Provision shall be made for debt service of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957, and for the BONDS, and all ADDITIONAL PARITY BONDS which may hereafter be outstanding, all without preference or priority. To that end, the State Treasurer shall make monthly applications as follows:

(1) He shall set aside as the monthly debt service payment for the PARITY BONDS OF 1954, the PARITY BONDS UNDER THE ACT OF 1957, the BONDS, and any ADDITIONAL PARITY BONDS then outstanding the following sums:

(a) One-sixth ($1/6$) of the aggregate of interest for each of the foregoing issues of bonds to become payable on each next succeeding interest payment date on each of such issues of bonds, so that on the occasion fixed for the payment of semi-annual interest, the sums required therefor shall be available to meet such interest payments.

(b) One-twelfth ($1/12$) of the aggregate of principal for each of the foregoing issues of bonds to become payable on each next succeeding principal payment date on each of such issues of bonds, so that on the occasion fixed for the payment of principal, the sums required therefor shall be available to meet such principal payments.

(c) If in any previous month, the monthly debt service payments shall not have been fully made, then, in such event, the State Treasurer shall make application of the ENTIRE REVENUES then in his hands to such an extent as to restore any then existing deficiency.

Section 4.

Provision shall then be made for the maintenance and operation of the STUDENT AND FACULTY HOUSING FACILITIES on the following basis:

The college is authorized to requisition and expend from the ENTIRE REVENUES that have been remitted to the State Treasurer, that amount necessary to maintain and operate the STUDENT AND FACULTY HOUSING FACILITIES, provided that the State Treasurer shall be fully empowered to reduce or suspend altogether any payment to be made for maintenance and operation pursuant to this Section at any time, if his estimate of the ENTIRE REVENUES shall indicate that there will not be available for debt service the sums required by Section 3 of this ARTICLE, Supra.

Section 5.

There shall be established for the further security of the BONDS and for the payment thereof, a special reserve fund hereby designated as the DEBT SERVICE RESERVE FUND OF 1962. The Fund here established is analogous to funds of similar designation established for the PARITY BONDS OF 1954, and the PARITY BONDS UNDER THE ACT OF 1957.

The DEBT SERVICE RESERVE FUND OF 1962 shall be kept on deposit by the State Treasurer in a bank or banks, duly chartered by the United States or by the State of South Carolina, which shall have unimpaired capital and surplus of not less than \$1,000,000, or he may invest moneys in the DEBT SERVICE RESERVE FUND OF 1962 in direct obligations of the United States, having a maturity of not later than five (5) years from the date of purchase of such securities. All income from investments shall be added to and become a part of the DEBT SERVICE RESERVE FUND OF 1962.

The DEBT SERVICE RESERVE FUND OF 1962 shall be used only to prevent a default in payment of principal or interest of the BONDS, or to effect the redemption of BONDS prior to their stated maturities.

Section 6.

On the 31st day of August of each year the balance of the ENTIRE REVENUES remaining in the hands of the State Treasurer on that occasion shall be prorated among the debt service reserve funds established for the BONDS, the PARITY BONDS OF 1954, the PARITY BONDS UNDER THE ACT OF 1957, and ADDITIONAL PARITY BONDS then outstanding, in the proportion that the outstanding bonds of the several issues bear to the total of all outstanding bonds, on a parity inter sese, which are payable from the ENTIRE REVENUES.

ARTICLE VI

OPERATION OF FACILITIES

The TRUSTEES covenant and agree:

1. To maintain at all times the STUDENT AND FACULTY HOUSING FACILITIES of the COLLEGE in good condition and repair, to furnish and equip such facilities to the extent that is customary, and to apply so much of the revenues from such facilities, whose expenditures they control pursuant to Article V, supra, to the extent necessary, to such operation and maintenance.
2. To collect and recover the rentals, revenues and receipts from the STUDENT AND FACULTY HOUSING FACILITIES promptly, with dispatch, in businesslike fashion, and to make disposition of the same as provided for in the BOND RESOLUTION OF 1962.
3. That not later than thirty (30) days prior to the beginning of each FISCAL YEAR, they will cause to be prepared a Budget for the operation of the STUDENT AND FACULTY HOUSING FACILITIES for the next ensuing FISCAL YEAR (which may be a part of the general budget of the COLLEGE), which shall reflect all sums which the TRUSTEES intend to spend or dispose of for such facilities during such FISCAL YEAR. Such expenditures

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shall be detailed in accordance with good accounting practice, and shall set forth:

- (a), all sums intended to be expended for operation, including the costs of administrative, clerical and accounting services, the cost of maintaining all insurance on such facilities, and of such fidelity bonds as may be required;
- (b), all sums intended for repairs; and,
- (c), all sums intended for improvements.

Such Budget shall be adopted and approved by the TRUSTEES by Resolution; copies thereof shall be forwarded to the PURCHASER, the State Treasurer and be made available to any BONDHOLDER requesting the same.

ARTICLE VII

AGREEMENT TO FURNISH INFORMATION

The TRUSTEES recognize that those who may from time to time hereafter, be the HOLDERS of the BONDS will, throughout the life of the BONDS, require full information, fully particularized, with respect to the STUDENT AND FACULTY HOUSING FACILITIES, the costs of operating and maintaining the same, and the receipts, rentals and revenues therefrom. To that end, they especially covenant and agree:

1. That they will keep proper books of records and accounts, in which complete and correct entries shall be made of all transactions relating to the STUDENT AND FACULTY HOUSING FACILITIES, all revenues and receipts derived therefrom, directly or indirectly, and all expenditures which may be made in connection with the said facilities. Such records shall be kept in such fashion as to show:

- (a), the number and classification of all persons who may from time to time make use of such facilities;
- (b), the ENTIRE REVENUES derived therefrom;
- (c), the cost of operating such facilities, broken down in such fashion as to adequately reflect the several items of cost entering into cost of operating and maintaining the same; and,

- (d), the amounts expended for minor repairs and the amounts expended for major repairs.

2. That, as soon after the close of each FISCAL YEAR as possible, they will cause an audit to be made of the records of the said STUDENT AND FACULTY HOUSING FACILITIES, which may be a part of the general audit of the affairs of the COLLEGE. A copy of such audit shall be forwarded to the PURCHASER, the State Treasurer and other copies shall be made available to every BONDHOLDER who shall have signified, in writing to the TRUSTEES, his desire to obtain copies of such audit.

ARTICLE VIII

ADDITIONAL COVENANTS

The TRUSTEES further covenant and agree:

1. That no part of the STUDENT AND FACULTY HOUSING FACILITIES, nor any revenues derived therefrom, has been, or will be, hypothecated, mortgaged, otherwise pledged or encumbered, save and except as herein disclosed or provided for.

2. That they will permit no free use to be made of any of the STUDENT AND FACULTY HOUSING FACILITIES, as the same are defined in Article I, hereof, except that the COLLEGE reserves the right to permit its President to use, free of rent or other charge, any residence which the COLLEGE may provide for the use and occupancy of its President.

3. That so long as any BONDS be outstanding and unpaid, they will perform all duties with reference to the said STUDENT AND FACULTY HOUSING FACILITIES, required by the ENABLING ACT and the BOND RESOLUTION OF 1962.

4. That they will not pledge, mortgage, encumber or permit to be encumbered, the said STUDENT AND FACULTY HOUSING FACILITIES, or the revenues therefrom, except as provided for by the provisions of the BOND RESOLUTION OF 1962, permitting the issuance of ADDITIONAL PARITY BONDS.

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5. That they will not sell, dispose of, or raze any substantial part of said STUDENT AND FACULTY HOUSING FACILITIES unless all the BONDS, and bonds on a parity therewith, shall have been paid in full, or unless and until provision shall have been made for the payment of the BONDS, and all bonds on a parity therewith, in full. For the purposes of this Paragraph, the term "substantial part" shall mean any facility, or part or portion thereof, which shall have produced as much as five per centum (5%) of the ENTIRE REVENUES for the preceding FISCAL YEAR. But the TRUSTEES may, in any FISCAL YEAR, sell, dispose of, or raze parts or portions of said STUDENT AND FACULTY HOUSING FACILITIES which do not constitute a substantial part thereof, PROVIDED, ALWAYS, that the aggregate of all sales, disposals, and razings shall not result in the disposition of facilities (exclusive of temporary buildings) which have produced as much as twenty per centum (20%) of the ENTIRE REVENUES during any preceding FISCAL YEAR during the life of the BONDS. And, if, pursuant to this provision, any STUDENT AND FACULTY HOUSING FACILITIES shall be sold, then the TRUSTEES shall be required to:

- (a), expend so much of such proceeds of sale as may be necessary for the repair, restoration or acquisition of additional STUDENT AND FACULTY HOUSING FACILITIES, capable of and designed to produce revenues equal to the revenues of the properties so disposed of; or,
- (b), remit such proceeds, or so much thereof as shall remain therefrom, if the additional facilities have been acquired at a lesser cost, to the State Treasurer, who shall hold the same in a special fund, separate and distinct from all other funds heretofore established by the BOND RESOLUTION OF 1962, and shall be used by him solely for the redemption of BONDS.

6. That they will keep the STUDENT AND FACULTY HOUSING FACILITIES, and all furniture, furnishings and equipment therein, continuously insured under fire, windstorm and extended

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coverage policies, in an amount at least equal to the face amount of all BONDS outstanding, PROVIDED, ALWAYS, that in case the amount of such BONDS shall be greater than the insurable value of the said facilities, then the TRUSTEES shall insure the facilities to the extent of its insurable value. In case of loss, the proceeds of such insurance shall be applied to the repair or restoration of the STUDENT AND FACULTY HOUSING FACILITIES, or contents thereof, to their former condition, or in such manner as will make the STUDENT AND FACULTY HOUSING FACILITIES usable. If funds received from said insurance policies or from any other source by reason of such loss shall be insufficient to repair or restore the damage, then, and in such event, the TRUSTEES shall either:

- (a), expend so much of such proceeds as may be necessary for the acquisition of replacements, capable of and designed to produce revenues equal to the revenues formerly produced; or,
- (b), remit such proceeds, or so much thereof as shall remain therefrom, if the replacements shall have been effected at a lesser cost, to the State Treasurer, who shall forthwith deposit the same in the DEBT SERVICE RESERVE FUND OF 1962.

7. That they will secure adequate fidelity bonds, covering all persons handling moneys of the STUDENT AND FACULTY HOUSING FACILITIES, other than the State Treasurer and the PAYING AGENT.

8. That all moneys received by the TRUSTEES as a consequence of any defalcation, covered by any fidelity bond, shall be used to restore the fund depleted by such defalcation.

9. That all insurance policies will be open to the inspection of the BONDHOLDERS at all reasonable times.

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10. That they will permit, at all reasonable times, so long as any BONDS are outstanding and unpaid, and funds are not available for the payment thereof, BONDHOLDERS to inspect the STUDENT AND FACULTY HOUSING FACILITIES, and all records and accounts thereof.

ARTICLE IX

STATUTORY LIEN AND RECEIVER

Section 1.

For the further protection of the HOLDERS of the BONDS, a statutory lien upon the STUDENT AND FACULTY HOUSING FACILITIES is hereby created and granted as provided in the ENABLING ACT, which said statutory lien is hereby recognized as valid and binding upon the COLLEGE, the TRUSTEES and said STUDENT AND FACULTY HOUSING FACILITIES, and shall take effect immediately upon the delivery of any BONDS.

Section 2.

If there be any default in the payment of the principal of or interest on any BONDS, or any bonds on a parity therewith, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the said STUDENT AND FACULTY HOUSING FACILITIES, with power to fix rentals and charges for the said facilities sufficient to provide for the payment of such bonds and the interest thereon, and for the payment of the expenses of operating and maintaining such facilities, and to apply the income and revenues of such facilities to the payment of such bonds and the interest thereon.

ARTICLE X

MODIFICATION OF BOND RESOLUTION BY COLLEGE

For any one or more of the following purposes and at any time or from time to time, a resolution of the TRUSTEES supplementing the BOND RESOLUTION OF 1962 may be adopted which resolution shall be fully effective in accordance with its terms:

- (1) To close the BOND RESOLUTION OF 1962

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against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the BOND RESOLUTION OF 1962, on the issuance, in the future, of ADDITIONAL PARITY BONDS;

(2) To add to the covenants and agreements of the TRUSTEES in the BOND RESOLUTION OF 1962, other covenants and agreements thereafter to be observed relative to the acquisition, construction, operation, maintenance, reconstruction or administration of any part of the STUDENT AND FACULTY HOUSING FACILITIES or relative to the application, custody, use and disposition of the proceeds of any ADDITIONAL PARITY BONDS;

(3) To surrender any right, power or privilege reserved to or conferred upon the TRUSTEES or the COLLEGE by the BOND RESOLUTION OF 1962;

(4) Subject to the provisions of Article IV, to authorize ADDITIONAL PARITY BONDS and, in connection therewith, specify and determine the sums to be expended from the ENTIRE REVENUES for the payment of such bonds so that the same shall be on a parity with the BONDS, and bonds now on a parity with the BONDS, PROVIDED, ALWAYS, that no disposition inconsistent with the BOND RESOLUTION OF 1962 shall be effected; and,

(5) To cure, correct or remove any ambiguity or inconsistent provisions contained in the BOND RESOLUTION OF 1962.

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ARTICLE XI

MODIFICATION OF BOND RESOLUTION WITH
APPROVAL OF BONDHOLDERS

Section 1.

The rights and duties of the TRUSTEES and the BONDHOLDERS, and the terms and provisions of this BOND RESOLUTION OF 1962, may be modified or altered in any respect by resolution of the TRUSTEES with the consent of the holder or holders of 75% in principal amount of the BONDS or ADDITIONAL PARITY BONDS then outstanding, such consent to be evidenced by an instrument or instruments executed by the holders thereof and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the TRUSTEES and the PAYING AGENT, but no such modification or alteration shall:

- (1) Extend the maturity of any payment of principal or interest due upon any BOND or ADDITIONAL PARITY BOND;
- (2) Effect a reduction in the amount which the COLLEGE is required to pay by way of principal, interest or redemption premium;
- (3) Effect a change as to the type of currency in which the COLLEGE is obligated to effect payment of the principal, interest and redemption premiums of any BONDS or ADDITIONAL PARITY BONDS;
- (4) Permit the creation of a lien on the revenues of the STUDENT AND FACULTY HOUSING FACILITIES prior or equal to the BONDS or ADDITIONAL PARITY BONDS, as authorized by the BOND RESOLUTION OF 1962;
- (5) Permit preference or priority of any BONDS or ADDITIONAL PARITY BONDS, required for the written consent to any modification or alteration of the provisions of the BOND RESOLUTION OF 1962.

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Section 2.

In order that HOLDERS of BONDS, when outstanding in coupon form, payable to bearer, may evidence their consent in the manner hereinabove provided, the TRUSTEES may make, and from time to time, vary such regulations as they shall think proper for the deposit of bonds with, or exhibit of bonds to, any banks, bankers, trust companies or other depositories, wherever situated and for the issue by them, to the persons depositing or exhibiting such bonds, of certificates in form approved by the TRUSTEES, which shall constitute proof of ownership, entitling the HOLDERS thereof to consent in the manner hereinabove provided. Registered HOLDERS of BONDS outstanding in coupon form, duly registered in the name of such HOLDERS by the Treasurer of the COLLEGE, need not deposit nor exhibit their BONDS or ADDITIONAL PARITY BONDS, but the TRUSTEES may rely upon said registry books to show who are the registered HOLDERS of such BONDS when outstanding in coupon form. Any and all modifications made in the manner hereinabove provided for shall not become effective until there has been filed with the PAYING AGENT a copy of the resolution of the TRUSTEES hereinabove provided for, duly certified, as well as proof of consent to such modification by the HOLDERS of 75% in principal amount of the BONDS or ADDITIONAL PARITY BONDS then outstanding.

ARTICLE XII

EVENTS OF DEFAULT

Each of the following events is hereby declared an "Event of Default," that is to say, if:

- (1) Payment of the principal of any of the BONDS or bonds on a parity therewith shall not be made when the same shall become due and payable, either at its stated maturity or by proceedings for redemption; or,
- (2) Payment of any instalment of interest on the BONDS, or bonds on a parity therewith, shall not be made when the same becomes due and payable,

or within thirty days thereafter; or,

(3) The TRUSTEES shall, for any reason, be rendered incapable of fulfilling their obligations hereunder; or,

(4) An Order or Decree shall be entered, with the consent or acquiescence of the TRUSTEES, appointing a Receiver, or Receivers, of the STUDENT AND FACULTY HOUSING FACILITIES, or of the revenues thereof, or any proceedings shall be instituted, with the consent or acquiescence of the TRUSTEES, for the purpose of effecting a composition between the COLLEGE and its creditors, pursuant to any Federal or State statute now or hereafter enacted, or if such Order or Decree, having been entered without the consent and acquiescence of the TRUSTEES, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry thereof, or if such proceedings, having been instituted without the consent or acquiescence of the TRUSTEES, shall not be withdrawn or any orders entered shall not be vacated, discharged or stayed on appeal within sixty (60) days after the institution of such proceedings, or the entry of such orders; or,

(5) The TRUSTEES shall make a default in the due and punctual performance of any of the covenants, conditions, agreements or provisions contained in the BONDS, or bonds on a parity therewith or the BOND RESOLUTION OF 1962, and such default shall continue for thirty (30) days after written notice, specifying such default and requiring same to be remedied, shall have been given to the TRUSTEES by any BONDHOLDER.

ARTICLE XIII

REMEDIES

Section 1.

If the COLLEGE shall be adjudged in default as to the payment of any instalment of principal or interest upon any BONDS, or any bonds on a parity therewith, or if it shall be adjudged in default as to the performance of any covenant or undertaking made by it to secure the BONDS, or bonds on a parity therewith, then, and in every such case, the HOLDERS of not less than 15% in principal amount of the BONDS, and bonds on a parity therewith then outstanding may, by notice in writing to the COLLEGE, declare the principal of all BONDS and bonds on a parity therewith, then outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything in the BONDS or bonds on a parity therewith or herein contained to the contrary notwithstanding; PROVIDED, HOWEVER, that if at any time after the principal of the BONDS or bonds on a parity therewith shall have been so declared to be due and payable, all arrears of interest, if any, upon all the BONDS or bonds on a parity therewith then outstanding, and all other indebtedness secured hereby, except the principal of any BONDS or bonds on a parity therewith not then due by their terms, and interest accrued on such BONDS or bonds on a parity therewith since the last interest payment date, shall have been paid, or shall have been provided for by deposit with the PAYING AGENT of a sum sufficient to pay the same, and every other default in the observance or performance of any covenant, condition or agreement in the BONDS or bonds on a parity therewith, or herein contained, shall be made good, or provision therefor satisfactory to the HOLDERS of such

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BONDS or bonds on a parity therewith shall have been made, then and in every such case, the HOLDERS of not less than 15% in principal amount of the BONDS or bonds on a parity therewith then outstanding may, by written notice to the COLLEGE, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereto.

Section 2.

Upon the happening and continuance of any event of default, as provided in Article XII, then and in every such case any BONDHOLDER may proceed, subject to the provisions of Section 4 of this Article, to protect and enforce the rights of the BONDHOLDERS hereunder by a suit, action or special proceeding in equity, or at law, either for the appointment of a Receiver of the STUDENT AND FACULTY HOUSING FACILITIES, as authorized by the BOND RESOLUTION OF 1962, or for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted, or for the enforcement of any proper legal or equitable remedy as such BONDHOLDER shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

Section 3.

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

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Section 4.

No one or more BONDHOLDERS secured hereby shall have any right in any manner whatever by his or their action to effect, disturb, or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all HOLDERS of such outstanding BONDS, and bonds on a parity therewith, and coupons.

Section 5.

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

Section 6.

No delay or omission of any BONDHOLDER to exercise any right or power accruing upon any default occurring and continuing as aforesaid, shall impair any such default or be construed as an acquiescence therein; and every power and remedy given by this Article to the BONDHOLDERS, respectively, may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV

DISPOSITION OF PROCEEDS OF SALE OF BONDS

Section 1.

Upon the delivery of the BONDS, the accrued interest, if any shall be received, shall be remitted to the State Treasurer, and to such extent the application of the ENTIRE REVENUES and interest on the BONDS by the provisions of Article V shall be diminished.

Section 2.

The remaining proceeds shall be deposited by the TRUSTEES in a special account, to be designated CONSTRUCTION FUND, and shall be applied by the TRUSTEES to the acquisition of further STUDENT AND FACULTY HOUSING FACILITIES as hereinbefore provided for. If, upon the completion of the program contemplated and undertaken by the TRUSTEES, any sum shall remain in said CONSTRUCTION FUND, then, in such event, the same shall be made use of for the redemption of BONDS, in the manner provided by Section 6, of Article II hereof. Such CONSTRUCTION FUND shall be deposited in a bank or banks, duly chartered by the United States or by the State of South Carolina, to be selected by the TRUSTEES, having an unimpaired capital and surplus of not less than \$500,000.

ARTICLE XV

DISPOSITION OF PAID BONDS AND COUPONS

It shall be the duty of the PAYING AGENT to cancel the BONDS in fully registered form when the same shall have been paid, and to note thereupon all payments of principal and interest. A full record of such payment shall be made in the Bond Register. It shall likewise be the duty of the PAYING AGENT to cancel all BONDS issued in coupon form which shall have been paid, whether upon their maturity or redemption prior to maturity, all coupons that have been paid, and all unmatured coupons on BONDS redeemed prior to their stated maturities; such cancellation shall be done in such fashion as to render such BONDS and coupons incapable of further negotiation or hypothecation. Whenever so requested by the TRUSTEES, the PAYING AGENT shall cause the destruction of such bonds and coupons by cremation. In any event, it shall furnish appropriate certificates to the TRUSTEES, indicating the disposition of such BONDS and coupons.

ARTICLE XVI

AWARD OF SALE OF BONDS TO PURCHASERS

The action heretofore taken by the TRUSTEES in agreeing, subject to the approval of the State Budget and Control Board, to sell the BONDS to the PURCHASER, at a price of par and accrued interest to date of delivery, stands approved, ratified and confirmed. The BONDS shall be prepared in the form of a single fully registered bond, and when so prepared, shall be executed and delivered to the PURCHASER. An appropriate Bond Register shall be prepared and maintained at all times showing which of the BONDS shall be outstanding in fully registered form, and which of the BONDS shall be outstanding in coupon form. The names and addresses of the HOLDERS of all BONDS to be outstanding in fully registered form shall at all times be kept.

ARTICLE XVII

AVAILABILITY OF REMEDIES AMONG BONDS PAYABLE
FROM ENTIRE REVENUES

If any right or remedy in the BOND RESOLUTION OF 1962 contained shall be deemed in addition to rights and remedies made available to the holders of the outstanding PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957 by the PREVIOUS RESOLUTIONS, then the rights and remedies herein conferred upon the HOLDERS of the BONDS shall be deemed to extend to and be available to the holders of the outstanding PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957; it being the intention of this BOND RESOLUTION OF 1962 that the rights and remedies of the HOLDERS of the BONDS, and the holders of bonds on a parity therewith shall be the same. Likewise, if rights or remedies shall exist in favor of the holders of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957 by reason of the PREVIOUS RESOLUTIONS, which are

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not available to the HOLDERS of the BONDS by reason of any provision of the BOND RESOLUTION OF 1962, then, in such event, such rights and such remedies are hereby expressly conferred upon the HOLDERS of the BONDS in order that the HOLDERS of the BONDS shall at all times and in all ways have the same rights and the same remedies as have the holders of the PARITY BONDS OF 1954 and the PARITY BONDS UNDER THE ACT OF 1957.

ARTICLE XVIII

DEFEASANCE

If all of the BONDS and coupons representing interest thereon, issued pursuant to the BOND RESOLUTION OF 1962, shall have been paid and discharged, then the BOND RESOLUTION OF 1962, the pledge of revenues made thereunder, and all other rights granted thereby shall cease and determine. BONDS and coupons shall be deemed to have been paid and discharged within the meaning of this Article, if the PAYING AGENT shall hold, at their maturity or redemption date, in trust for and irrevocably appropriated thereto, sufficient moneys for the payment of the principal thereof, the redemption premium, if any there be, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; PROVIDED, ALWAYS, that if any such BONDS shall be redeemed prior to the maturity thereof, the TRUSTEES shall have duly elected to redeem such bonds and notice of such redemption shall have been duly given. Any moneys at any time deposited with the PAYING AGENT, by or on behalf of the TRUSTEES, for the purpose of paying and discharging any of the

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BONDS or coupons, shall be, and are hereby, assigned, transferred and set over to the PAYING AGENT in trust for the respective holders of the BONDS and coupons, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. But, if through lapse of time, or otherwise, the holders of said BONDS or coupons shall no longer be entitled to enforce the payment of their obligations, then, in such event it shall be the duty of the PAYING AGENT to forthwith return said funds to the TRUSTEES. All moneys deposited with the PAYING AGENT shall be deemed to be deposited in accordance with and subject to all of the provisions of this Article.

ARTICLE XIX

TENOR OF OBLIGATIONS

Every covenant, undertaking and agreement made on behalf of the COLLEGE by the TRUSTEES, as set forth in the BOND RESOLUTION OF 1962, is made, undertaken, and agreed to, for the proper securing of the payment of the principal of and interest on the BONDS. Each shall be deemed to partake of the obligation of the contract between the COLLEGE and the BOND-HOLDERS and shall be enforceable accordingly.

ARTICLE XX

SAVING CLAUSE

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

ARTICLE XXI

REPEALING CLAUSE

All Resolutions, or parts thereof, inconsistent herewith, be and the same are hereby repealed to the extent of such inconsistencies.

STATE OF SOUTH CAROLINA

COUNTIES OF OCONEE AND
PICKENS

I, _____, the duly elected,
acting and qualified Secretary of the Board of Trustees of
THE CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, DO HEREBY
CERTIFY:

That the foregoing Resolution is a true, correct,
full and verbatim copy of the original of said Resolution
adopted by said Board of Trustees on _____
1962, at a meeting duly called and regularly held, at which
was present:

constituting a majority of all of the members of said Board
of Trustees.

That the original of said Resolution has been filed in
the permanent records of minutes of said Board of Trustees in
my custody as such Secretary.

WITNESS my Hand and the Seal of the Board of
Trustees of The Clemson Agricultural College of South Carolina,
this _____ day of _____, 1962.

(SEAL)

Secretary, Board of Trustees,
The Clemson Agricultural College
of South Carolina

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