

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: Nevada System of Higher Education

Taxable Certificates of Participation Financing Resolution

Meeting Date: March 3-4, 2016

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

At the December 3-4, 2015 Board of Regents meeting, the Board approved the purchase of a 42 acre parcel west of the University of Nevada, Las Vegas (UNLV) main campus. The Board also approved issuance of a short-term promissory note to finance acquisition of the property prior to the expiration of the Purchase and Sale Agreement on December 18, 2015. The note (\$50,060,000) was purchased by Wells Fargo Bank, N.A., and matures on July 1, 2016.

In December 2015, the Board was informed that a long-term financing plan would be presented at its upcoming March 2016 regularly scheduled meeting. Nevada System of Higher Education (NSHE) staff briefed the Board on expected long-term debt service for the property acquisition, and the expected sources available at UNLV to pay this debt service. NSHE's financial advisor, JNA Consulting Group, recommended a negotiated sale of long-term certificates of participation due to the desire to retain greater flexibility with the timing of NSHE's sale of the certificates, as well as providing greater assurances that the certificates will be priced at appropriate interest rates given the need for nonstandard prepayment terms and other desired financial flexibility.

In December 2015 and January 2016, NSHE conducted a request-for-proposals ("RFP") for underwriter services on the long-term financing plan. Based on the results of the RFP process, NSHE staff recommends an underwriting syndicate composed of Citi, Morgan Stanley, and Robert W. Baird.

At its January 22, 2016 meeting, the Board approved a Sale Resolution, which authorized the distribution of the Preliminary Official Statement by NSHE staff in anticipation of selling long-term certificates of participation. This authorization allowed for greater flexibility in distributing the certificates' offering document and should allow UNLV to better take advantage of current low-interest rates.

Based on estimates as of the date this briefing material was prepared (January 2016), the estimated debt service on the proposed certificates of participation is between \$3.12 and \$3.37 million per year. These updated debt service estimates are consistent with the debt service funding allocation approved as part of the December board approval of the purchase of the property. The range of estimate is a result of alternatives under consideration with respect to prepayment terms, with the lower end estimate based on standard 10 year prepayment terms and the higher end estimate for shorter prepayment terms that would allow for additional flexibility to refinance the debt in the near-term, after the alternatives for long-term uses of the property have been determined which may allow for more favorable tax-exempt financing options. The System's financial advisors are working with the underwriting team to evaluate market feedback and structure prepayment terms that allow for desired flexibility at the lowest cost premium within this range. An updated estimate of the annual debt service will be presented to the Board during the March meeting.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

UNLV President Len Jessup requests approval of a financing resolution and installment purchase agreement authorizing the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas, to issue fixed rate certificates of participation in an amount not to exceed \$51,500,000 for the purpose of refinancing the 2015B Promissory Note.

4. IMPETUS (WHY NOW?):

- Interest rates are at historically low levels, and UNLV has an opportunity to take advantage of low interest rates.
- The interim note that financed acquisition of the Property matures on July 1, 2016. If long-term certificates are not sold by then, UNLV will need to execute an alternate method to repay the interim note.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The long-term financing plan corresponds with prior presentations to the Board for purchase of the Property.
- Interest rates are subject to change, and may increase. An increase in interest rates will result in additional funds of UNLV being expended to service debt.
- A long-term financing plan must be executed prior to July 1, 2016. Otherwise, UNLV will need to execute an alternative plan to repay the 2015B Note.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- Long-term interest rates may further decline.

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

- Do not issue the long-term certificates of participation and continue to use short term financing options.
- Utilize a 5-year interim financing that will encompass the period necessary to present a long-term use plan for the Property to the Board for approval. However, UNLV may be required to refinance at the end of this 5-year period. This exposes UNLV to interest rate risk on the financing plan for the Property.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #___ Chapter #___ Section #___
- Amends Current Board Policy: Title #___ Chapter #___ Section #___
- Amends Current Procedures & Guidelines Manual: Chapter #___ Section #___
- Other: **Consistent with current NSHE Procedures and Guidelines Manual, Chapter 5, Section 3.**
- Fiscal Impact: Yes No___
Explain: Long-term debt service is estimated to be \$3.12 to \$3.37 million per year through fiscal year 2046.

RESOLUTION NO. _____

WHEREAS, pursuant to chapter 396 of Nevada Revised Statutes (the "Project Act") and all laws supplemental thereto, the Board of Regents (the "Board") of the Nevada System of Higher Education ("NSHE") is authorized to borrow up to \$51,500,000 for the purpose refinancing certain outstanding obligations of NSHE (the "Project"), such financing to be evidenced by an Installment Purchase Agreement and Indenture of Trust between the System and U.S. Bank National Association, as trustee (the "Trustee") signed by manual or facsimile signatures of the appropriate officials at the NSHE (the "Indenture");

WHEREAS, pursuant to the Indenture, the Trustee shall execute and deliver the Taxable Certificates of Participation, Series 2016B (the "2016B Certificates") and the Taxable Certificates of Participation, Series 2016C (the "2016C Certificates" and together with the 2016B Certificates, the "Certificates") evidencing undivided interests in the right to receive certain revenues payable by NSHE pursuant to the Indenture;

WHEREAS, the Board hereby authorizes the Vice Chancellor for Finance and Administration to arrange for the sale and delivery of the Certificates for the Project, including accepting a binding contract for the sale of the Certificates and ratifies action previously taken in connection with the sale and delivery of the Certificates; and

WHEREAS, the Board authorizes the Vice Chancellor for Finance and Administration, as the chief financial officer of NSHE or the Chancellor, as the chief administrative officer of NSHE, to accept a binding contract for the sale of the Certificates in substantially the form of the Certificate Purchase Agreement (the "Certificate Purchase Agreement") between NSHE and Citigroup Global Markets Inc., Morgan Stanley & Co. LLC and Robert W. Baird & Co., Inc. (collectively, the "Underwriters") and ratifies action previously taken in connection with the issuance and sale of the Certificates and either officer is hereby authorized to accept the Certificate Purchase Agreement, the Certificates to bear interest at the rate or rates per annum, provided in the Certificate Purchase Agreement, at a price consisting of the principal amount and accrued interest thereon from their date to the date of their delivery, less a discount or plus a premium as set forth in the Indenture and otherwise upon the terms and conditions herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION:

Section 1. The officers of the System are hereby authorized to take all action necessary to effectuate the provisions of this resolution, including, without limitation, the Chancellor or the Vice Chancellor for Finance is authorized to sell the Certificates and execute the Certificate Purchase Agreement as a binding contract with the Underwriters for the purchase of the Certificates and negotiate the terms of the Certificates and the Certificate Purchase Agreement by the Chancellor or the Vice Chancellor for Finance and Administration with the Underwriters which terms shall not be materially inconsistent with the terms set forth in the forms of the Indenture and the Certificate Purchase Agreement specified by the Chancellor or the Vice Chancellor for Finance and Administration and in substantially the forms on file with the Secretary of the Board, the forms of which are approved, with any changes to the forms of the Indenture and the Certificate Purchase Agreement as are approved by the Chancellor or the Vice Chancellor for Finance and Administration

in the judgment of the Chancellor or the Vice Chancellor for Finance and Administration, including any covenants or provisions to protect the owner of the Certificates and/or NSHE, that the Chancellor or Vice Chancellor for Finance and Administration determines are necessary or desirable to obtain favorable terms for NSHE which covenants or provisions, if any, shall be evidenced by such officer's execution of the Indenture and the Certificate Purchase Agreement and any such determination made is conclusive absent fraud or abuse of discretion. The Chair, the Chancellor and the Chief of Staff and Special Counsel to the Board of Regents and ex officio Secretary of the Board of Regents are authorized to complete and execute the Indenture. The Chancellor or the Vice Chancellor for Finance and Administration is authorized to complete and execute the Escrow Agreement, in the form specified by the Chancellor or the Vice Chancellor for Finance and Administration and in substantially the form on file with the Secretary of the Board with such changes to the form as are approved by the Chancellor or Vice Chancellor for Finance and Administration whose execution thereof shall be conclusive evidence of such officer's approval of such changes. The Chancellor or the Vice Chancellor for Finance and Administration is authorized to complete and execute the Continuing Disclosure Certificate, in the form specified by the Chancellor or the Vice Chancellor for Finance and Administration and in substantially the form on file with the Secretary of the Board with such changes to the form as are approved by the Chancellor or Vice Chancellor for Finance and Administration whose execution thereof shall be conclusive evidence of such officer's approval of such changes. The Chancellor or the Vice Chancellor for Finance and Administration is authorized to direct notice of prepayment and/or defeasance, including conditional notice of prepayment and/or defeasance in connection with the Project. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Indenture.

Section 2. The officers of NSHE are hereby authorized to take all action necessary to effectuate the provisions of this resolution, including, without limitation, negotiation of the terms of the Indenture and the Certificate Purchase Agreement, the execution and delivery of the Escrow Agreement and the Certificate Purchase Agreement by the Chancellor or the Vice Chancellor for Finance and Administration and the execution and delivery of the Indenture with manual or facsimile signatures of the Chairman, Chancellor, ex officio Treasurer, and the Secretary to the Board of Regents and such certificates as may be necessary to evidence the validity and enforceability of the Indenture, the appointment of a trustee under the Indenture.

Section 3. The officers of the System are hereby authorized to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limitation (a) assembling of financial and other information concerning the System, the Project, the Indenture, the Certificate Purchase Agreement and the Certificates, and (b) preparing and circulating an official statement for the Certificates (the "Official Statement"), and, if deemed appropriate by the Chancellor or the Vice Chancellor for Finance and Administration, the preparation and circulation of a preliminary official statement for the Certificates, the Continuing Disclosure Certificate, in the forms specified by the Chancellor or the Vice Chancellor for Finance and Administration and on file with the Secretary of the Board. The Chancellor or the Vice Chancellor for Finance and Administration is authorized to deem the preliminary official statement "final" for purposes of Rule 15(c)2-12 promulgated under the Securities Exchange Act of 1934. The Chancellor or the Vice

Chancellor for Finance and Administration is authorized to execute the Continuing Disclosure Certificate.

Section 4. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board, the officers of the System and otherwise by the System directed toward the Indenture, the Certificate Purchase Agreement, the Project and toward the sale and delivery of the Certificates for that purpose, including but not limited to the distribution of the preliminary official statement and the distribution, use and execution of the Official Statement, in substantially the form on file with the Secretary of the Board, but with such changes, including supplements, amendments, additions and deletions, as are consistent with the facts and this Resolution and are approved by the Chancellor or the Vice Chancellor for Finance and Administration, whose execution thereof shall be conclusive evidence of such officer's consent to such changes, are hereby approved, ratified and confirmed. The Board hereby authorizes the execution of closing certificates by any of the officers of the Board and any of the Chancellor, Vice Chancellor for Finance and Administration and Vice Chancellor for Legal Affairs.

Section 5. This Resolution shall be effective on its passage and approval.

PASSED, ADOPTED AND APPROVED this March ____, 2016.

NEVADA SYSTEM OF HIGHER EDUCATION

Chairman, Board of Regents

Attest:

Chief of Staff and Special Counsel to the Board of Regents
and ex officio Secretary of the Board of Regents

NEVADA SYSTEM OF HIGHER EDUCATION

AND

U.S. BANK NATIONAL ASSOCIATION
AS TRUSTEE

INSTALLMENT PURCHASE AGREEMENT AND INDENTURE OF TRUST

Dated as of
[date], 2016

INSTALLMENT PURCHASE AGREEMENT AND INDENTURE OF TRUST

INSTALLMENT PURCHASE AGREEMENT AND INDENTURE OF TRUST dated as of [date], 2016 (this "Agreement" or "Indenture") by and between the NEVADA SYSTEM OF HIGHER EDUCATION (the "System") and U.S. BANK NATIONAL ASSOCIATION, as Trustee, duly organized and existing under the laws of the United States of America, being authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America.

WITNESSETH:

WHEREAS, Exhibit A hereto sets forth the definitions of all capitalized terms used herein except where the context indicates otherwise; and

WHEREAS, University of Nevada is the legal and corporate name of the state university, as described in Section 4, article 11, constitution of the State of Nevada, and is a body corporate and politic under the constitution and laws of the State of Nevada (the "State"); and

WHEREAS, the system of universities, colleges and research and public service units administered under the direction of the Board of Regents (the "Board") is known collectively as the "Nevada System of Higher Education" (the "System"); and

WHEREAS, the Board controls and manages the affairs of the System and the funds of the same and is the governing body of the System; and

WHEREAS, the System, through the Board, has the power, among other things, to effect the Project; and

WHEREAS, the Board has heretofore determined and does hereby determine and declare that it is necessary and in the best interests of the System that the System effect the Project; and

WHEREAS, pursuant to NRS 396.425 and Nevada Constitution Article 11, Section 4, the Board has the authority to enter into transactions whereby the System purchases real property for cash and executes an obligation to pay the remainder of the price in deferred installments; and

WHEREAS, there will be executed and delivered pursuant to this Agreement one or more Certificates which represent assignments of the right to receive certain Revenues and the System desires to sell the Certificates pursuant to a negotiated sale; and

WHEREAS, the 2016B Certificates and the 2016C Certificates are to bear interest at the respective rates per annum provided in Exhibit D attached hereto; and

WHEREAS, the proceeds from the sale of the Certificates will be used by the System to finance the Project and other purposes set forth herein; and

WHEREAS, the financing of the Project and the execution, performance and delivery of this Indenture have been authorized, approved and directed by the Board; and

WHEREAS, there will be executed and delivered by the Trustee pursuant to this Indenture, the Certificates representing assignments of the right to receive Base Payments and certain other payments; and

WHEREAS, the Trustee has entered into this Indenture for and on behalf of the Owners of the Certificates, and will hold its rights hereunder, except as otherwise specifically provided herein, for the equal and proportionate benefit of the Owners of the Certificates, and will disburse moneys received by it in accordance with this Indenture; and

WHEREAS, all things necessary to make the Certificates, when executed and delivered by the Trustee as provided herein, legal, valid, and binding assignments of the right to receive Base Payments and certain other payments, as herein provided, and to constitute this Indenture a valid, binding and legal instrument for the security of the Certificates in accordance with its terms, have been done and performed.

NOW THEREFORE, for and in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

That the System, in consideration of the premises and the mutual covenants herein contained, and for the benefit of the Certificate Owners, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on all Certificates at any time Outstanding under this Indenture, according to their tenor and effect, and to secure the performance and observance of all the covenants and conditions in the Certificates and herein contained, and to declare the terms and conditions upon and subject to which the Certificates are issued and secured, has executed and delivered this Indenture and has granted, assigned, pledged, set over and confirmed, and by these presents does grant, assign, pledge, set over and confirm unto U.S. Bank National Association, as Trustee, and to its successors and assigns forever, all and singular the following described property, franchises and income, without retaining any present or future interest or reversion whatsoever:

(a) All Base Payments and any other receipts received by the Trustee from or on behalf of the System pursuant hereto.

(b) All moneys and securities from time to time held by the Trustee under this Indenture (other than moneys and securities held in the Project Account and the Escrow Account), including any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind specially mortgaged, pledged, or hypothecated, as and for additional security hereunder, by the System, or by anyone on its behalf, in favor of the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Trustee and its successors in said trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms herein set forth for the equal and proportionate benefit, security and protection of all Certificate Owners, without privilege, priority or distinction as to the lien or otherwise of any of the Certificates over any other of the Certificates;

PROVIDED, HOWEVER, that if the principal of the Certificates and the premium, if any, and the interest due or to become due thereon, shall be paid at the times and in the manner mentioned in the Certificates, according to the true intent and meaning thereof, or if this Indenture is otherwise discharged pursuant to Article V hereof, and if there are paid to the Trustee all sums of money due or to become due to the Trustee in accordance with the terms and provisions hereof, then upon such final payment this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared, that all Certificates issued and secured hereunder or under any supplement hereto are to be executed and delivered and all said property, rights, interests, revenues and receipts hereby pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the System has agreed and covenanted, and does hereby agree and covenant, with the Trustee for the benefit of the Certificate Owners, as follows:

ARTICLE I

DEFINITIONS; AGREEMENT TERM; PAYMENTS BY THE SYSTEM

Section 1.01. Definitions. All capitalized words and phrases in this Indenture shall have the respective meanings set forth in Exhibit A hereto unless the context otherwise requires.

Section 1.02. Duration of the Agreement Term. The Agreement Term shall commence as of the date hereof and shall continue until July 1, 20__, unless earlier terminated as provided in Section 1.03 hereof.

Section 1.03. Termination of Agreement Term. The Agreement Term shall terminate upon the earliest of any of the following events:

- (a) principal of the 2016 Certificates are paid in full;
- (b) discharge of this Indenture as provided in Section 5.01 hereof.

Termination of the Agreement Term shall extinguish all unaccrued obligations of the System under this Indenture, but all obligations of the System accrued prior to such

termination shall be continuing until and except to the extent satisfied by discharge of this Indenture as provided in Section 5.01 hereof.

Section 1.04. Security Provisions. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the Base Payments and all other amounts which may be payable hereunder and to secure the performance by the System of all covenants expressed or implied by this Indenture, the System hereby pledges and grants to the Trustee a present security interest, within the meaning of the Uniform Commercial Code of the State, with respect to its right, title and interest, if any, in the Certificate Fund. The System covenants to cooperate with the Trustee in signing such documents as are necessary to perfect the security interests granted hereby.

Section 1.05. Base Payments and Additional Payments. The System shall pay Base Payments directly to the Trustee for distribution to the Certificate Owners in accordance with this Indenture during the Agreement Term on the due dates set forth in Exhibit B attached hereto and made a part hereof, as it may be amended hereunder. There shall be credited against the amount of Base Payments otherwise payable hereunder any amounts available in the Certificate Fund on the date such Base Payments are due. The System shall pay Additional Payments during the Agreement Term as herein provided. The Additional Payments during the Agreement Term shall be in an amount sufficient to pay the reasonable fees and expenses of the Trustee as required hereunder.

All Additional Payments shall be paid by the System on a timely basis directly to the person or entity to which such Additional Payments are owed.

Section 1.06. Interest Component. The interest component of each Base Payment is as set forth in Exhibit B attached hereto. The System shall make or shall cause to be made payment of the interest component of each Base Payment in accordance with Section 1.05 directly to the Trustee.

Section 1.07. Manner of Payment. The Base Payments shall be paid in lawful money of the United State of America to the Trustee by check or draft mailed, electronically transferred or delivered to the Trustee on or before the date such Base Payment is due.

Section 1.08. No Set-Offs. The obligation of the System to pay the Base Payments and Additional Payments required under this Article I and other Sections hereof, during the Agreement Term, shall be absolute and unconditional in all events except as expressly provided herein, including, without limitation Section 1.09 hereof, and payment of the Base Payments and Additional Payments during the Agreement Term shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the System and the Trustee, the System shall, during the Agreement Term, make all payments of Base Payments and Additional Payments when due and shall not withhold any Base Payments or Additional Payments pending final resolution of such dispute, nor shall the System assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. No action or inaction on the part of the Trustee shall affect the System's obligation to pay Base Payments and Additional Payments during the Agreement Term.

Section 1.09. Disposition of Base Payments. The amount of each Base Payment designated as interest made by the System to the Trustee shall be applied to first pay past due interest, then current interest and shall deposit such interest Base Payments into the Interest Account of the Certificate Fund. Upon receipt by the Trustee of each payment of the principal portion of Base Payments, the Trustee shall apply the amount of such principal Base Payment pro rata to principal and shall deposit such principal Base Payment into the Principal Account of the Certificate Fund.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND ISSUANCE OF CERTIFICATES

Section 2.01. Authorized Amount of Certificates. No Certificates may be executed and delivered under this Indenture except in accordance with this Article. The aggregate principal amount of the 2016B Certificates that may be issued shall be \$_____,000. The aggregate principal amount of the 2016C Certificates that may be issued shall be \$_____,000.

Section 2.02. Maturity Dates and Interest Rates of 2016 Certificates. The 2016B Certificates and the 2016C Certificates shall be dated as of the date of delivery thereof and shall bear interest from such date to maturity at the respective rates per annum shown on Exhibit D attached hereto for each series of Certificates computed on the basis of a 360 day year of twelve 30 day months, payable semiannually on each Interest Payment Date; except that 2016 Certificates which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been paid, or if no interest has been paid, from the date of the 2016 Certificates.

The 2016B Certificates and the 2016C Certificates shall mature on the respective dates and in the amounts as set forth in the Exhibit D attached hereto.

Section 2.03. Form of 2016 Certificates. The 2016 Certificates shall be substantially in the form set forth in Exhibit C to this Indenture (provided that any portion of the 2016 Certificates text may, with appropriate reference, be printed on the back of the 2016 Certificates), with such appropriate variations, omissions and insertions as may be required by the circumstances, or as may be permitted or required hereby. Temporary 2016 Certificates may be executed and delivered pending the preparation of 2016 Certificates in definitive form.

Section 2.04. Execution and Delivery of the Certificates; Disposition of Proceeds. The Certificates shall be deliverable only as fully registered Certificates in Authorized Denominations (provided that no Certificate may be in a denomination which exceeds the principal coming due on any maturity date and no individual Certificate may be executed and delivered for more than one maturity). The Certificates shall be numbered in such manner as shall be determined by the Trustee. Upon the execution and delivery of this Indenture, the Trustee shall execute and deliver the 2016 Certificates to or upon the direction of the Initial Purchaser as hereinafter provided in this Section, provided that:

(a) Prior to the delivery by the Trustee of any of the 2016 Certificates, there shall be filed with the Trustee an originally executed counterpart of this Indenture and a copy of the resolution adopted by the Board approving this Indenture.

(b) Thereupon, the Trustee shall deliver: (i) the 2016B Certificates to or upon the direction of the Initial Purchaser upon payment to the Trustee of the purchase price of \$_____ (consisting of the principal amount of the 2016B Certificates of \$_____,000, plus net original issue premium of \$_____, and less the discount of the Initial Purchaser of \$_____), \$_____.00 shall be deposited in the Escrow Account and the remainder of the purchase price shall be deposited into the Project Account which shall be applied solely to the payment of Project Costs financed by the 2016B Certificates, including to pay costs of issuance of the 2016B Certificates; and (ii) the 2016C Certificates to or upon the direction of the Initial Purchaser upon payment to the Trustee of the purchase price of \$_____ (consisting of the principal amount of the 2016C Certificates of \$_____,000, plus net original issue premium of \$_____, and less the discount of the Initial Purchaser of \$_____), \$_____.00 shall be deposited in the Escrow Account and the remainder of the purchase price shall be deposited into the Project Account which shall be applied solely to the payment of Project Costs financed by the 2016C Certificates, including to pay costs of issuance of the 2016C Certificates.

Section 2.05. Terms of Certificates; Principal and Interest Payments on Certificates. The principal of and premium, if any, on any Certificate shall be payable to the registered owner thereof as shown on the registration records of the Trustee upon maturity or prior redemption thereof and upon presentation and surrender at the principal corporate trust or principal operations office of the Trustee. Payment of interest on the Certificates shall be made on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), by check of the Trustee mailed to the registered owner thereof at his or her address as it last appears on the registration records of the Trustee at the close of business on the Record Date. Any such interest not so timely paid shall cease to be payable to the Person who is the registered owner thereof at the close of business on the Record Date and shall be payable to the Person who is the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Trustee to the registered owners of the Certificates, not less than ten days prior to the Special Record Date, by first-class mail to each such registered owner as shown on the Trustee's registration records on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed to between the registered owner of any Certificate and the Trustee. If the principal of any Certificate is not paid on the maturity date thereof or on any applicable sinking fund redemption date thereof, interest on the unpaid principal shall continue to accrue at the interest rate borne by said Certificate until such principal shall have been paid in full.

All payments of principal and interest on the Certificates shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges.

Section 2.06. Redemption.

(a) The 2016B Certificates, maturing on and after July 1, 20__ shall be subject to redemption prior to their respective maturities, at the option of the System as designated by a System Representative on and after July 1, 20__, in whole or in part at any time and on a pro rata basis within a maturity as described below in paragraph (i) of this Section, at a price equal to the principal amount of the Outstanding 2016B Certificates so redeemed plus accrued interest thereon to the redemption date, without premium.

(b) The 2016C Certificates, maturing on and after July 1, 20__ shall be subject to redemption prior to their respective maturities, at the option of the System as designated by a System Representative on and after July 1, 20__, in whole or in part at any time and on a pro rata basis within a maturity as described below in paragraph (i) of this Section, at a price equal to the principal amount of the Outstanding 2016C Certificates so redeemed plus accrued interest thereon to the redemption date, without premium.

(c) The 2016B Certificates maturing July 1, 20__ and July 1, 20__ (the "Term 2016B Certificates"), are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the redemption date.

The following principal amounts of the 2016B Certificates maturing July 1, 20__, shall be subject to mandatory sinking fund redemption (after credit as provided below) on the following dates:

<u>Date</u>	<u>Principal Amount</u>
July 1, 20__	\$_____,000
July 1, 20__*	_____,000

*Maturity Date

The following principal amounts of the 2016B Certificates maturing July 1, 20__, shall be subject to mandatory sinking fund redemption (after credit as provided below) on the following dates:

<u>Date</u>	<u>Principal Amount</u>
July 1, 20__	\$_____,000
July 1, 20__*	_____,000

*Maturity Date

(d) The 2016C Certificates maturing July 1, 20__ and July 1, 20__ (the "Term 2016C Certificates" and together with the Term 2016B Certificates, the "Term 2016 Certificates"), are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the redemption date.

The following principal amounts of the 2016C Certificates maturing July 1, 20__, shall be subject to mandatory sinking fund redemption (after credit as provided below) on the following dates:

Date	Principal Amount
July 1, 20__	\$_____,000
July 1, 20__*	_____,000

*Maturity Date

The following principal amounts of the 2016C Certificates maturing July 1, 20__, shall be subject to mandatory sinking fund redemption (after credit as provided below) on the following dates:

Date	Principal Amount
July 1, 20__	\$_____,000
July 1, 20__*	_____,000

*Maturity Date

(e) On or before the thirtieth day prior to each such sinking fund payment date, the Trustee shall proceed to call the Term 2016 Certificates indicated above (or any Term 2016 Certificate or Certificates issued to replace such Term 2016 Certificates) for redemption from the sinking fund on the next July 1, as the case may be, and give notice of such call without other instruction or notice from the System. The amount of each sinking fund installment may be reduced by the principal amount of any Term 2016 Certificates of the maturity which is subject to sinking fund redemption on such date and which prior to such date have been redeemed (otherwise than through the operation of the sinking fund) or otherwise canceled and not theretofore applied as a credit against a sinking fund installment. Such reductions, if any, shall be applied in such year or years as may be determined by the System. The Term 2016 Certificates indicated above subject to mandatory sinking fund redemption being redeemed in part will be selected on a pro rata basis as described in paragraph (i) of this Section.

A portion of any Term 2016 Certificate may be redeemed pursuant to the provisions of (d) or (e) above, in which case the Trustee shall, without charge to the Owner of such Certificate, execute and deliver a replacement Term 2016 Certificate or Certificates of the same maturity and of an Authorized Denomination.

(f) In the case of Certificates of a denomination of \$5,000 or larger, a portion of such Certificates (\$5,000 or any integral multiple thereof) may be redeemed pursuant to subsections (a) and (b) of this section, in which case the Trustee, except as otherwise provided in this Indenture, shall, without charge to the owner of such Certificate, authenticate and issue a replacement Certificate or Certificates for the unredeemed portion thereof. In the case of a partial redemption of Certificates of a single maturity pursuant to subsections (a) and (b) of this section, the Trustee shall select the Certificates to be redeemed pro rata at such time as directed

by a System Representative (but at least 30 days prior to the Redemption Date), and if such selection is more than 60 days before a Redemption Date, shall direct the Trustee to appropriately identify the Certificates so called for redemption by stamping them at the time any Certificate so selected for redemption is presented to the Trustee for stamping or for transfer or exchange, or by such other method of identification as is deemed adequate by the Trustee, and any Certificate or Certificates issued in exchange for, or to replace, any Certificate so called for prior redemption shall likewise be stamped or otherwise identified. Upon the partial redemption of any Certificates pursuant subsections (a) or (b) of this section, the Trustee shall notify the System in writing of the Certificates selected for partial redemption and the System Representative shall deliver an amended schedule of Base Payments to be attached hereto as Exhibit B to the Trustee and the Certificate Insurer to reflect the payment of a portion of the Certificates that have been redeemed.

(g) Make-Whole Redemption for 2016B Certificates. Prior to the optional redemption date specified in paragraph (a) of this Section, if any, the 2016B Certificates may be subject to redemption prior to their respective maturities, as set forth in the Certificate, at the option of the System upon written direction of the Vice Chancellor for Finance, in whole or in part at any time, from any maturities selected by the System and on a pro rata basis within a maturity as described in paragraph (i) of this Section upon written direction of a System Representative, at the Make-Whole Redemption Price; [provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the System can legally agree to pay to redeem 2016B Certificates under the provisions of State law, the System shall not have an option to redeem 2016B Certificates at that time pursuant to the provisions of this paragraph (g)] [provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the System can legally agree to pay to redeem 2016B Certificates under the provisions of State law, the System shall have an option to redeem 2016B Certificates at that time at the maximum price the System can legally pay pursuant to the provisions of this paragraph (g)].

(h) Make-Whole Redemption for 2016C Certificates. Prior to the optional redemption date specified in paragraph (b) of this Section, if any, the 2016C Certificates may be subject to redemption prior to their respective maturities, as set forth in the Certificate, at the option of the System upon written direction of the Vice Chancellor for Finance, in whole or in part at any time, from any maturities selected by the System and on a pro rata basis within a maturity as described in paragraph (i) of this Section upon written direction of a System Representative, at the Make-Whole Redemption Price; [provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the System can legally agree to pay to redeem 2016C Certificates under the provisions of State law, the System shall not have an option to redeem 2016C Certificates at that time pursuant to the provisions of this paragraph (h)] [provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the System can legally agree to pay to redeem 2016C Certificates under the provisions of State law, the System shall have an option to redeem 2016C Certificates at that time at the maximum price the System can legally pay pursuant to the provisions of this paragraph (h)].

(i) Pro Rata Selection. If a portion of a maturity of the 2016 Certificates or the Term 2016 Certificates is being redeemed in part, the 2016 Certificate to be redeemed will be selected on a pro rata basis to each Holder of the 2016 Certificates in whose name such 2016 Certificates or Term 2016 Certificates are registered on the Regular Record Date immediately

preceding the redemption date. "Pro rata" for a Holder is determined, in part, by multiplying the principal amount of the 2016 Certificates or Term 2016 Certificates of a maturity to be redeemed in part on the applicable redemption date by a fraction, the numerator of which is equal to the principal amount of the 2016 Certificates or Term 2016 Certificates of that maturity owned by the Holder, and the denominator of which is equal to the total amount of the 2016 Certificates or Term 2016 Certificates of that maturity then Outstanding immediately prior to such redemption date, and then rounding the product down to the next lower integral multiple of \$5,000, provided that the portion of any 2016 Certificate or Term 2016 Certificate to be redeemed shall be in \$5,000 denominations and all 2016 Certificates or all Term 2016 Certificates to remain Outstanding following any redemption shall be in \$5,000 denominations. Adjustments to the foregoing pro rata redemption may be made in the amount of \$5,000 for any Holder so that the aggregate amount of 2016 Certificates or Term 2016 Certificates of a maturity being redeemed in part owned by all Holders is equal to the aggregate amount of 2016 Certificates or Term 2016 Certificates of that maturity to be redeemed.

Notwithstanding anything herein to the contrary, if the 2016 Certificates or the Term 2016 Certificates are registered in book-entry-only form and so long as The Depository Trust Company, a New York corporation ("DTC") or a successor securities depository is the sole registered owner of such Bonds and such Bonds are registered in the name of DTC or its nominee, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

If a portion of a maturity of the 2016 Certificates or the Term 2016 Certificates is being redeemed in part, the 2016 Certificate to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures if the 2016 Certificates are registered in book-entry-only form and so long as DTC or a successor securities depository is the sole registered owner of the 2016 Certificates and the 2016 Certificates are registered in the name of DTC or its nominee.

Section 2.07. Notice of Redemption. Notice of the call for any redemption, identifying the Certificates or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee, upon being satisfactorily indemnified as to expenses, by mailing a copy of the redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of each Certificate to be redeemed at the address shown on the registration records; provided however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of Certificates as to which no such failure has occurred. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Trustee of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Certificates so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Certificates called for redemption in the same manner as the original redemption notice was mailed.

Section 2.08. Redemption Payments. Prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is hereby authorized and directed to apply such funds to the payment of, the Certificates called, together with accrued interest thereon to the redemption date and any required premium. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to this Indenture, interest on the Certificates or portions thereof thus called shall no longer accrue after the date fixed for redemption.

Section 2.09. Cancellation of Redeemed Certificates. All Certificates which have been redeemed shall not be reissued but shall be canceled or otherwise destroyed by the Trustee in accordance with Section 2.15 hereof.

Section 2.10. Certificates Payable Solely From Revenues. Each Certificate shall represent assignments of the right to receive Revenues hereunder. The Certificates are payable solely from Revenues as, when and if the same are received by the Trustee, from amounts on deposit in the Certificate Fund and from payments made by under any Certificate Insurance Policy. The Revenues are to be held in trust by the Trustee for such purposes in the manner and to the extent provided herein. The Certificates shall not constitute or give rise to a general obligation or other indebtedness of the State or a general obligation of the System within the meaning of any constitutional, statutory or debt limitation. Neither this Indenture nor the Certificates shall constitute a general obligation of the System, and the System shall have no obligation with respect to the Certificates except to the extent of its assignment of the Trust Estate to the Trustee pursuant to this Indenture; and this Indenture shall not create any pecuniary liability on the part of the directors or officers of the System. No provision of the Certificates or this Indenture shall be construed or interpreted (a) to require the System to make an appropriation; or (b) as a delegation of governmental powers by the System.

Section 2.11. Execution of the Certificates. The manual signature of a duly authorized officer or employee of the Trustee shall appear on each Certificate. Any Certificate shall be deemed to have been executed by a duly authorized representative of the Trustee if signed by the Trustee Representative, but it shall not be necessary that the same officer or employee of the Trustee sign all of the Certificates issued hereunder. In case any officer or employee of the Trustee whose signature shall appear on the Certificates shall cease to be such officer or employee before delivery of the Certificates, such signature shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained an officer or employee until delivery.

Section 2.12. Effect of Execution. No Certificate shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until executed in the manner prescribed by Section 2.11 of this Indenture, and such execution of any Certificate shall be conclusive evidence that such Certificate has been properly issued and delivered hereunder.

Section 2.13. Mutilated, Lost, Stolen or Destroyed Certificates. In the event that any Certificate is mutilated, lost, stolen or destroyed, a new Certificate may be executed on behalf of the Trustee, of like series, date, maturity, tenor and Authorized Denomination as that mutilated, lost, stolen or destroyed; provided that the Trustee shall have received such evidence,

information or indemnity from the Owner of the Certificate as the Trustee may reasonably require, and provided further, in case of any mutilated Certificate, that such mutilated Certificate shall first be surrendered to the Trustee. In the event that any such Certificate shall have matured or been called for redemption or is about to mature or be called for redemption, instead of issuing a duplicate Certificate, the Trustee may pay the same without surrender thereof. The Trustee may charge the Owner of the Certificate with its reasonable fees and expenses in this connection.

Section 2.14. Registration, Transfer and Exchange of Certificates; Persons Treated as Owners.

(a) (1) Records for the registration and transfer of Certificates shall be kept by the Trustee which is hereby appointed the registrar and transfer agent for the Certificates. The principal of and interest with respect to any Certificate shall be payable only to or upon the order of the Owner or his legal representative (except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest). Upon surrender for transfer of any Certificate at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Trustee shall enter such transfer on the registration records and shall execute and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned.

(2) Fully registered Certificates may be exchanged at the office designated by the Trustee for an equal aggregate principal amount of fully registered Certificates of the same maturity of other Authorized Denominations. The Trustee shall execute and deliver Certificates which the Owner making the exchange is entitled to receive, bearing numbers not previously assigned.

(3) The Trustee may require the payment, by the Owner of any Certificate requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer.

(4) The Trustee shall not be required to transfer or exchange (i) all or any portion of any Certificate during the period beginning at the opening of business 15 days before the day of the mailing by the Trustee of notice calling any Certificates for prior prepayment and ending at the close of business on the day of such mailing, or (ii) all or any portion of a Certificate after the mailing of notice calling such Certificate or any portion thereof for prior prepayment.

(b) Notwithstanding the foregoing provisions of subsections (a) hereof, the Certificates shall initially be evidenced by one Certificate for each maturity of the Certificates in Authorized Denominations equal to the aggregate principal amount of the Certificates maturing on such date and shall be initially delivered and registered as set forth in Section 2.17 hereof.

(c) Except as otherwise provided herein with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Certificate shall

be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or interest with respect to any Certificate shall be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge such Certificate to the extent of the sum or sums paid.

Section 2.15. Cancellation of Certificates. Whenever any Outstanding Certificates shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment thereof or for or after replacement pursuant to Section 2.13 or 2.14 of this Indenture, such Certificates shall be promptly canceled and destroyed by the Trustee, and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the System.

Section 2.16. Negotiability. Subject to the registration provisions hereof, the Certificates shall be fully negotiable and shall have all the qualities of negotiable paper, and the Owner or Owners thereof shall possess all rights enjoyed by the holders or owners of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. The principal of and interest on the Certificates shall be paid, and the Certificates shall be transferable, free from and without regard to any equities, set-offs or cross-claims between or among the System, the Trustee and the original or any intermediate Owner of any Certificates.

Section 2.17. Book Entry.

(a) Notwithstanding any contrary provision of this Indenture, each separate series of Certificates shall initially be evidenced by one Certificate for each maturity in Authorized Denominations equal to the aggregate principal amount of the Certificates for that maturity within that series. Such initially delivered Certificates shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company, the securities depository for the Certificates. The Certificates may not thereafter be transferred or exchanged except:

(1) to any successor of The Depository Trust Company or its nominee, which successor must be a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended; or

(2) upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or this clause (2) of this paragraph (a), or a determination by the System that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions, and the designation by the System of another depository institution acceptable to the System and to the depository then holding the Certificates, which new depository institution must be a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

(3) upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or clause (2) of this paragraph (a), or a determination of the System that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions, and the failure by the System, after

reasonable investigation, to locate another qualified depository institution under clause (2) to carry out such depository functions.

(b) In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (1) of paragraph (a) hereof or designation of a new depository pursuant to clause (2) of paragraph (a) hereof, upon receipt of the Outstanding Certificates by the Trustee, together with written instructions for transfer satisfactory to the Trustee, a new Certificate for each maturity of each series of the Certificates then Outstanding shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) of paragraph (a) hereof and the failure after reasonable investigation to locate another qualified depository institution for the Certificates as provided in clause (3) of paragraph (a) hereof, and upon receipt of the Outstanding Certificates by the Trustee, together with written instructions for transfer satisfactory to the Trustee, new Certificates shall be issued in Authorized Denominations, as provided in and subject to the limitations of Section 2.15 of this Indenture, registered in the names of such Persons, and in such Authorized Denominations as are requested in such written transfer instructions; provided however, the Trustee shall not be required to deliver such new Certificates within a period of less than 60 days from the date of receipt of such written transfer instructions.

(c) The System and the Trustee shall be entitled to treat the registered owner of any Certificate as the absolute Owner thereof for all purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by them and the System and the Trustee shall have no responsibility for transmitting payments to the beneficial owners of the Certificates held by The Depository Trust Company or any successor or new depository named pursuant to paragraph (a) hereof.

(d) The System and the Trustee shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (1) or (2) of paragraph (a) hereof in effectuating payment of the principal amount of the Certificates upon maturity or prior redemption by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

(e) Upon any partial redemption of any maturity of the Certificates, Cede & Co. (or its successor) in its discretion may request the System to issue and authenticate a new Certificate or shall make an appropriate notation on the Certificates indicating the date and amount of prepayment, except in the case of final maturity, in which case the Certificates must be presented to the Trustee prior to payment.

ARTICLE III

REVENUES AND FUNDS

Section 3.01. Source of Payment of Certificates. All payments by the System under this Indenture are payable from any monies of the System legally available for the purpose of making such payment, and the System hereby covenants to make sufficient provision annually in its budget to pay the Base Payments and reasonably estimated Additional Payments when due.

The Certificates do not constitute a debt or indebtedness of the State of Nevada or a charge against the State's credit or taxing power. The Certificates represent assignments of the right to receive Revenues hereunder. The Certificates shall be payable solely from Revenues received by the Trustee, amounts on deposit in the Certificate Fund, from amounts paid under the Certificate Insurance Policy, and do not constitute a general obligation of the System within the meaning of any constitutional or statutory debt limitation. Revenues, when, as, and if received by the Trustee, shall be held under this Indenture for payment of the principal of, premium, if any, and interest on the Certificates as provided in this Indenture.

Section 3.02. The Certificate Fund. A special fund is hereby created and established with the Trustee, to be designated "Nevada System of Higher Education, Certificate of Participation Fund, Series 2016B and 2016C" (the "Certificate Fund"), which shall be used to pay the principal of and interest on the Certificates. Within the Certificate Fund there are hereby created and ordered established an Interest Account and a Principal Account, as follows:

(a) There shall be deposited into the Interest Account of the Certificate Fund (i) that portion of each payment of Base Payments which is designated in Exhibit B hereto, as it may be amended, and paid by the System as interest on the 2016 Certificates; and (ii) all other moneys received by the Trustee under this Indenture accompanied by directions from the System that such moneys are to be deposited into the Interest Account of the Certificate Fund.

(b) There shall be deposited into the Principal Account of the Certificate Fund (i) that portion of each payment of Base Payments which is designated in Exhibit B hereto, as it may be amended, and paid by the System as principal on the 2016 Certificates; and (ii) all other moneys received by the Trustee under this Indenture accompanied by directions from the System that such moneys are to be deposited into the Principal Account of the Certificate Fund.

Moneys held in the Certificate Fund shall be invested and reinvested in accordance with Article IV of this Indenture. Moneys in the Interest Account of the Certificate Fund shall be used solely for the payment of the interest on the 2016 Certificates. Moneys in the Principal Account of the Certificate Fund shall be used solely for the payment of the principal of the 2016 Certificates. In the event the Certificates are to be redeemed in whole pursuant to Section 2.06 of this Indenture, any moneys remaining in the Certificate Fund shall be applied to such redemption along with other moneys held by the Trustee for such purpose.

The Certificate Fund shall be in the custody of the Trustee. The Trustee shall withdraw sufficient funds from the Certificate Fund to pay the principal of and interest on the Certificates as the same become due and payable, which responsibility, to the extent of the moneys therein, the Trustee hereby accepts.

Section 3.03. The Project Account. A special fund is hereby created and held by the System to be designated "Nevada System of Higher Education, Taxable Certificates of Participation, Series 2016 Project Account" (the "Project Account"). Proceeds of the 2016 Certificates remaining after deposit to the Escrow Account shall be deposited in the Project Account. The System may establish such additional accounts within the Project Account or such subaccounts within any of the existing or any future accounts of the Project Account as may be necessary or desirable. So long as no Event of Default shall have occurred hereunder, moneys

held in the Project Account shall be disbursed by the System to pay Project Costs, including the costs of issuing the Certificates. If an Event of Default shall have occurred hereunder, the System shall either disburse moneys held in the Project Account as provided in the preceding sentence or apply such moneys as provided in Article VI hereof.

Upon the Completion Date, the remaining proceeds of the 2016 Certificates and any earnings thereon, then held in the Project Account, minus any amount estimated by the System Representative to be necessary to pay Project Costs, shall be transferred by the System to the account in the Certificate Fund specified by the System and if none, to the Interest Account of the Certificate Fund.

Investment earnings on moneys in the Project Account shall be deposited into the Project Account and be applied as provided in the preceding paragraph.

Section 3.04. Escrow Account. A special fund is hereby created and held by the Escrow Agent pursuant to the Escrow Agreement to be designated "Nevada System of Higher Education, Certificates of Participation, Series 2016 Escrow Account" (the "Escrow Account"). There shall be credited to the Escrow Account, an amount sufficient from proceeds of the 2016 Certificates, together with any other monies available therefor, to establish any initial cash balance remaining uninvested and to buy the Federal Securities, if any, designated in the Escrow Agreement for purchase by the Issuer and credit to the Escrow Account with the Escrow Agent, for the payment of the Refunded Note pursuant to the Escrow Agreement.

The Escrow Account shall be maintained by the System in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities or in cash, to redeem, on the redemption dates set forth in the Escrow Agreement, all of the Refunded Note at a price equal to the principal amount thereof, plus accrued interest to the redemption date plus premium, if any.

Monies shall be withdrawn by the Escrow Agent from the Escrow Account in sufficient amounts and at such times to redeem all of the Refunded Note on the dates set forth in the Escrow Agreement at the redemption prices set forth in the resolutions authorizing the issuance of the Refunded Note. Any monies remaining in the Escrow Account after provision shall have been made for the payment in full of the Refunded Note shall be applied to the next installment of interest due on the 2016 Certificates or for any lawful purpose of the System as the Vice Chancellor may hereafter determine.

The Board has elected and does hereby declare its intent to exercise on the behalf and in the name of the System its option to redeem the Refunded Note on the redemption dates set forth in the Escrow Agreement. The Board is hereby obligated so to exercise such option, which option shall be deemed to have been exercised when notice is duly given and completed forthwith after the issuance of the 2016 Certificates as herein provided in this section.

The Escrow Agent and/or the Treasurer be and hereby is authorized and directed to give or cause to be given forthwith upon the issuance of the 2016 Certificates a notice of prior redemption and defeasance of the Refunded Note in the manner and at the time set forth in the

resolution authorizing the issuance of the Refunded Note. The notice of prior redemption and defeasance shall be given by mailing to registered owner of each of the Refunded Note the notice of redemption in substantially the form set forth herein.

The Escrow Agent is hereby authorized and directed to give again notice of prior redemption of the Refunded Note at least 10 day prior to the redemption dates set forth in the Escrow Agreement, in the manner provided in the resolution authorizing the Refunded Note.

Section 3.05. Unclaimed Funds. Any funds deposited with the Trustee by the System in accordance with the terms and covenants of this Indenture, in order to redeem or pay the Certificates in accordance with the provisions of this Indenture, and remaining unclaimed by the owners of the Certificates after the date fixed for redemption or maturity, shall be escheated to the appropriate state in accordance with a particular state's escheatment laws and thereafter the owners of the Certificates shall be entitled to look only to the state to whom such funds were escheated for payment thereof. The Trustee shall maintain records of any escheated funds.

Section 3.06. Moneys to be Held in Trust. The ownership of the Certificate Fund and any other fund or account created hereunder shall be held by the Trustee for the benefit of the Certificate Owners as specified in this Indenture; provided, however, that, moneys in the Project Account shall be held by the System for the Project and moneys in any defeasance escrows established pursuant to Article V hereof shall be used only for the specific purposes provided in this Indenture in connection therewith.

Section 3.07. Repayment to the System from the Trustee. After payment in full of the Certificates, the interest thereon, any premium thereon, the fees, charges and expenses of the Trustee and all other amounts required to be paid hereunder, any amounts remaining in the Certificate Fund or otherwise held by the Trustee pursuant hereto (but excluding defeasance escrows established pursuant to Article V hereof) shall be paid to the System as a return of an overpayment of Base Payments.

ARTICLE IV

INVESTMENTS

Section 4.01. Investment of Moneys. All moneys held as part of the Certificate Fund, Project Account or any other fund or account created hereunder (except any defeasance escrow pursuant to Article V hereof) shall be deposited or invested and reinvested by the Trustee, at the written direction of the System, in Permitted Investments; provided, however, that the Trustee shall make no deposits or investments of any fund or account created hereunder which shall interfere with or prevent withdrawals for payment of the Certificates at or before maturity or interest thereon as required hereunder. Any and all such deposits or investments shall be held by or under the control of the Trustee. The Trustee may make any and all such deposits or investments through its own bond department or the bond department of any bank or trust company under common control with the Trustee. All moneys held as part of the Project Account shall be deposited or invested and reinvested by the System in Permitted Investments. Subject to the transfer of certain investment income pursuant to Section 3.03, deposits or investments shall at all times be a part of and remain in the fund or account from which the

moneys used to acquire such deposits or investments have come, and all income and profits on such deposits or investments shall be credited to, and losses thereon shall be charged against, such fund or account. Pursuant to Section 3.03 hereof, certain interest or other gain from any fund created hereunder (except any defeasance escrows pursuant to Article V hereof) shall be deposited in the Project Account and other such interest or gain shall be deposited in the Project Account to the extent directed by the System pursuant to Section 9.01 hereunder; but no such transfer shall be made if such transfer would cause the amount then on deposit in such fund to be less than required by the provisions of this Indenture, unless the Trustee consents to such transfer. The Trustee shall sell and reduce to cash a sufficient amount of such deposits or investments whenever the cash balance in the Certificate Fund is insufficient to pay the principal of and interest on the Certificates when due, or whenever the cash balance in any other fund or account created hereunder is insufficient to satisfy the purposes of such fund or account.

ARTICLE V

DISCHARGE OF INDENTURE

Section 5.01. Discharge of this Indenture. If, when the Certificates issued hereunder shall become due and payable in accordance with their terms or otherwise as provided in this Indenture, the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Certificates shall be paid (or, in the case of redemption of the Certificates pursuant to Section 2.06 of this Indenture, if payment of an amount less than the aggregate principal amount of the Certificates Outstanding plus accrued interest thereon to the redemption date is made as provided in Section 2.06 of this Indenture), or provision shall have been made for the payment of the same, together with all other sums payable hereunder, then the right, title and interest of the Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the System to the Trustee and the Certificate Owners shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee and the System shall transfer and convey to the System or to its order all property assigned or pledged to the Trustee by the System then held by the System or by the Trustee pursuant to this Indenture, and the System and the Trustee shall execute such documents as may be reasonably required by the System and shall turn over to the System any surplus in any fund created under this Indenture. Notwithstanding the deposit of Federal Securities to meet the requirements set forth above, the System is obligated to contribute additional securities to pay the 2016 Certificates if necessary to provide sufficient amounts to satisfy the payment obligations on such 2016 Certificates unless the System has obtained an opinion of nationally recognized bond counsel to the effect that such continuing obligation to contribute additional securities is not necessary to prevent a deemed reissuance under Section 1001 of the Code.

Any Outstanding Certificate shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in this Section if (i) in case said Certificate is to be redeemed on any date prior to its maturity, the System shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to give notice of redemption of such Certificate on said redemption date, such notice to be given on a date and otherwise in accordance with the provisions of Section 2.07 hereof, (ii) there shall have been deposited in trust either moneys in an amount which shall be sufficient, or Federal Securities the principal of and the interest on which when due, and without any reinvestment

thereof, will provide moneys which, together with the moneys, if any, deposited with or held in trust at the same time, shall be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said Certificate on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Certificate is not by its terms subject to redemption within the next 60 days, the System shall have given the Trustee in form satisfactory to it irrevocable instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 2.07 hereof, a notice to the Owner of such Certificate that the deposit required by (ii) above has been made in trust and that said Certificate is deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on said Certificate. Neither the Federal Securities nor moneys deposited in trust pursuant to this Section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on said Certificate; provided that any cash received from such principal or interest payments on such Federal Securities deposited with the Trustee, if not then needed for such purpose, may be reinvested in Federal Securities maturing at the times and in amounts sufficient to pay when due the principal of, premium, if any, and interest to become due on the Certificate on or prior to such redemption date or maturity date thereof, as the case may be. At such time as any Certificate shall be deemed paid as aforesaid, such Certificate shall no longer be secured by or entitled to the benefits of this Indenture, except for the purpose of exchange and transfer and any payment from such moneys or Federal Securities deposited in trust.

Notwithstanding the foregoing, in the event that the principal and/or interest of the Certificates shall be paid by the Certificate Insurer pursuant to the Certificate Insurance Policy, the Certificates shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not considered to be paid under this Indenture, and the assignment and pledge contained in this Indenture and all covenants, agreements and other obligations under this Indenture shall continue to exist and shall run to the benefit of the Certificate Insurer, and the Certificate Insurer shall be subrogated to the rights of the registered owners.

The discharge of this Indenture pursuant to this Section shall be without prejudice to the rights of the Trustee to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable expenses, charges and other disbursements incurred with respect to the administration of the trust hereby created and the performance of its powers and duties hereunder.

In the event that there is a defeasance of only part of the Certificates of any maturity, the Trustee shall, if requested by the System, institute a system to preserve the identity of the individual Certificates or portions thereof so defeased, regardless of changes in Certificate numbers attributable to transfers and exchanges of Certificates; and the Trustee shall be entitled to reasonable compensation and reimbursement of expenses from the System in connection with such system as Additional Payments hereunder.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default. If any of the following events occur it is hereby defined as and shall be deemed an Event of Default:

(a) Default by the System in the payment of any Base Payments required to be paid under Section 1.05 of this Indenture when the same shall become due and payable.

(b) Failure by the System to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (a) but including any default in the payment of any Additional Payments then due and payable, for a period of 45 days after written notice, specifying such failure and requesting that it be remedied, shall be given to the System by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not unreasonably withhold its consent to an extension of such time if corrective action shall be instituted by the System within the applicable period and diligently pursued until the default is corrected.

Section 6.02. Remedies on Default.

(a) If an Event of Default shall have occurred hereunder, then

(1) the registered owner may proceed against the System to protect and enforce all of its rights hereunder by mandamus or by other suit, action or special proceeding in law or in equity in any court of competent jurisdiction for the specific performance of the covenants and agreements of the System hereunder;

(2) the Owners may exercise such other remedies available to it at law or in equity.

(b) Upon the occurrence of an Event of Default, the Trustee may and shall at the request of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, without any further demand or notice, take one or any combination of the following remedial steps:

(1) Take whatever action at law or in equity which appears necessary or desirable to enforce its rights and the rights of the Owners in and to the Revenues under this Indenture.

(2) The Trustee shall also be entitled, upon any Event of Default, to any moneys in any funds or accounts created hereunder (other than the Escrow Account or any escrow accounts established pursuant to Article V hereof) for the benefit of the Certificate Owners.

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

If any Event of Default shall have occurred, if requested by the Owners of a majority in aggregate principal amount of Certificates then Outstanding and if the Trustee is indemnified as provided in Section 7.01(m) hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Certificate Owners.

Section 6.03. Majority of Certificate Owners May Control Proceedings. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof. The Trustee shall not be required to act on any direction given to it pursuant to this Section until the indemnity described in Section 7.01(m) of this Indenture is furnished to it by such Certificate Owners.

Section 6.04. Rights and Remedies of Certificate Owners. No Certificate Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in Section 7.01(h) hereof, or of which by said Section it is deemed to have notice, nor unless such default shall have become an Event of Default and the Owners of a majority in aggregate principal amount of Certificates then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceedings in its own name, nor unless they have also offered to the Trustee indemnity as provided in Section 7.01(m) hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name; and such notification, request, offer of indemnity and consent or default are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Certificate Owners shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by his, her, its or their action or to enforce any right hereunder except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Certificates then Outstanding. Nothing contained in this Indenture shall, however, affect or impair the right of any Certificate Owner to enforce the payment of the principal of, premium, if any, or interest on any Certificate at and after the maturity thereof.

Section 6.05. Trustee May Enforce Rights Without Certificates. All rights of action and claims under this Indenture or any of the Certificates Outstanding hereunder may be

enforced by the Trustee without the possession of any of the Certificates or the production thereof in any trial or proceedings relative thereto; and any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Certificates, and any recovery of judgment shall be for the ratable benefit of the Owners of the Certificates, subject to the provisions of this Indenture.

Section 6.06. Delay or Omission No Waiver. No delay or omission of the Trustee or of any Certificate Owner to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Indenture may be exercised from time to time and as often as may be deemed expedient.

Section 6.07. No Waiver of One Default to Affect Another. No waiver of any default hereunder, whether by the Trustee or the Certificate Owners, shall extend to or affect any subsequent or any other then existing default or shall impair any rights or remedies consequent thereon.

Section 6.08. Discontinuance of Proceedings on Default; Position of Parties Restored. In case the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the System, the Trustee and the Certificate Owners shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 6.09. Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default and its consequences and notwithstanding anything else to the contrary contained in this Indenture shall do so upon the written request of the Owners of not less than two-thirds in aggregate principal amount of all the Certificates then Outstanding; provided, however, that there shall not be waived without the consent of the Owners of 100% of the Certificates then Outstanding as to which the Event of Default exists (i) any default in the payment of the principal of or premium on any Outstanding Certificates at the date of maturity specified therein or (ii) any default in the payment when due of the interest on any such Certificates, unless prior to such waiver or rescission, all arrears of interest and all arrears of payments of principal and premium, if any, then due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for. In case of any such waiver, or in case any proceedings taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the System, the Trustee and the Certificate Owners shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

ARTICLE VII

CONCERNING THE TRUSTEE

Section 7.01. Duties of the Trustee. The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a reasonable and prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to act upon an Opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction taken by or omitted to be taken in good faith in reliance upon such Opinion of Counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Certificates (except in respect to the Trustee and execution of the Certificates on behalf of the Trustee), or for the recording or rerecording, filing or refiling of this Indenture or of any supplements thereto or hereto or instruments of further assurance, or collecting any insurance moneys or for the validity of the execution by the System of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Certificates issued hereunder or intended to be secured hereby, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the System or the System, except as provided herein; but the Trustee may require of the System or the System full information and advice as to the performance of the covenants, conditions and agreements aforesaid. The Trustee shall have no obligation to perform any of the duties of the System hereunder; and the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article IV hereof.

(d) The Trustee shall not be accountable for the use of any Certificates authenticated and delivered hereunder. The Trustee may become the Owner of Certificates with the same rights which it would have if not Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any Person

who at the time of making such request or giving such authority or consent is the Owner of any Certificate shall be conclusive and binding upon any Certificates issued in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the System by the System Representative, or on behalf of the System by the System Representative or such other Person as may be designated for such purpose by resolution of the Board, as sufficient evidence of the facts therein contained, and, prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the System to cause to be made any of the payments to the Trustee required to be made by Article I hereof and Article II hereof, unless the Trustee shall be specifically notified in writing of such default by the System or by the Owners of at least 25% in aggregate principal amount of Certificates then Outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid.

(i) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or law. The Trustee shall not be under any liability for interest on any moneys received hereunder except that the Trustee is responsible for complying with the written investment directions of the System.

(j) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right, but shall not be required, to inspect any and all of the property pledged herein.

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

(l) Notwithstanding anything in this Indenture, the Trustee shall have the right, but shall not be required, to demand in respect of the execution and delivery of any Certificates, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such

action by the Trustee deemed desirable for the purpose of establishing the right of the System or the System to the execution and delivery of any Certificates, the withdrawal of any cash, or the taking of any other action by the Trustee.

(m) Before taking any action hereunder the Trustee may require that satisfactory indemnity be furnished to it by the Certificate Owners for the reimbursement of all costs and expenses which it may incur and to protect it against all liability, except liability which may result from its negligence or willful misconduct, by reason of any action so taken.

Section 7.02. Fees and Expenses of Trustee. During the Agreement Term, the Trustee shall be entitled to payment and reimbursement for its reasonable fees for its services rendered hereunder as and when the same become due and all expenses, including attorney's fees, reasonably and necessarily made or incurred by the Trustee in connection with such services as and when the same become due and shall be paid as Additional Payments, as provided in Section 1.05 hereof.

Section 7.03. Resignation or Replacement of Trustee. The present or any future Trustee may resign by giving written notice to the System not less than 60 days before such resignation is to take effect. Such resignation shall take effect only upon the appointment of a successor qualified as provided in the third paragraph of this Section. The present or any future Trustee may be removed at any time by an instrument in writing, executed by the Owners of a majority in aggregate principal amount of the Certificates then Outstanding; provided that the Certificate Insurer consents to such removal. The present or any future Trustee may be removed at any time by the Certificate Insurer so long as it is not in default of its payment obligations under the Certificate Insurance Policy. The present or any future Trustee may be removed at any time by a Representative of the System.

In case the present or any future Trustee shall at any time resign or be removed for any reason or otherwise become incapable of acting, a successor may be appointed by the System by an instrument or concurrent instruments signed by the System Representative. The System upon making such appointment shall forthwith give notice thereof to each Certificate Owner, which notice may be given concurrently with the notice of resignation given by any resigning Trustee or the notice removing any Trustee.

Every successor Trustee shall always be a bank or trust company in good standing, duly authorized to exercise trust powers and subject to examination by Federal or state authority, qualified to act hereunder, having a reported capital and surplus of not less than \$10,000,000. Any successor appointed hereunder shall execute, acknowledge and deliver to the System an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Trustee herein; but the Trustee retiring shall, nevertheless, on the written demand of its successor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the predecessor, which shall duly assign, transfer and deliver to the successor all properties and moneys held by it under this Indenture. Should any instrument in writing from the System be required by any successor for more fully and certainly vesting in and confirming to it, the said

deeds, conveyances and instruments in writing shall be made, executed, acknowledged and delivered by the System on request of such successor.

The instruments evidencing the resignation or removal of the Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section shall be filed and/or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed and/or recorded.

Section 7.04. Conversion, Consolidation or Merger of Trustee. Any bank or trust company into which the Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business as a whole shall be the successor of the Trustee under this Indenture with the same rights, powers, duties and obligations and subject to the same restrictions, limitations and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto or thereto, anything herein or therein to the contrary notwithstanding. In case any of the Certificates to be issued hereunder shall have been executed, but not delivered, any successor Trustee may adopt the signature of any predecessor Trustee, and deliver the same as executed; and, in case any of such Certificates shall not have been executed, any successor Trustee may execute such Certificates in the name of such successor Trustee.

Section 7.05. Intervention by Trustee. In any judicial proceeding to which the System is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Owners of the Certificates, the Trustee may intervene on behalf of Certificate Owners and shall do so if requested in writing by the Owners of at least 25% in aggregate principal amount of the Certificates then Outstanding.

ARTICLE VIII

SUPPLEMENTAL INDENTURES AND AMENDMENTS

Section 8.01. Supplemental Indentures Not Requiring Consent of Certificate Owners. The Trustee and the System may, without the consent of, or notice to, the Certificate Owners (but with the consent of the Certificate Insurer), enter into such indentures or agreements supplemental hereto for any one or more or all of the following purposes:

(a) To add to the covenants and agreements of the System contained in this Indenture other covenants and agreements to be thereafter observed by the System;

(b) To cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Indenture, or to make any provisions with respect to matters arising under this Indenture or for any other purpose if such provisions are necessary or desirable and do not adversely affect the interests of the Certificate Owners;

(c) To subject to this Indenture additional revenues, properties or collateral.

Section 8.02. Supplemental Indentures Requiring Consent of Certificate Owners. Exclusive of supplemental indentures permitted by Section 8.01 hereof, the written consent of the System and the Owners of not less than two-thirds in aggregate principal amount of the

Certificates then Outstanding shall be required for the execution by the System and the Trustee of any indenture or indentures supplemental hereto; provided, however, that without the consent of the Owners of all the Certificates at the time Outstanding or of all of the Certificates affected thereby, as the case may be, nothing herein contained shall permit or be construed as permitting:

(a) A change in the terms of redemption or maturity of the principal amount of or the interest on any Outstanding Certificate, or a reduction in the principal amount of or premium payable upon any redemption of any Outstanding Certificate or the rate of interest thereon, without the consent of the Owner of such Certificate;

(b) The deprivation of the Owner of any Certificate then Outstanding of the lien created by this Indenture (other than as originally permitted hereby), without the consent of the Owner of such Certificate;

(c) A privilege or priority of any Certificate or Certificates over any other Certificate or Certificates; or

(d) A reduction in the percentage of the aggregate principal amount of the Certificates required for consent to such supplemental indenture.

If at any time the System shall request the Trustee to enter into such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed to the Certificate Insurer and to the registered owners of the Certificates at the addresses last shown on the registration records of the Trustee. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Certificate Owners. If within 60 days or such longer period as shall be prescribed by the System following the mailing of such notice, the Certificate Insurer and the Owners of not less than the requisite aggregate principal amount of the Certificates Outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Certificate Owner shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the System from executing the same or from taking any action pursuant to the provisions thereof.

Section 8.03. Execution of Supplemental Indenture. The Trustee is authorized to join with the System in the execution of any such supplemental indenture and to make further agreements and stipulations which may be contained therein, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects its rights, duties or immunities under this Indenture. Any supplemental indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be deemed to be part of this Indenture for any and all purposes. In case of the execution and delivery of any supplemental indenture, express reference may be made thereto in the text of the Certificates issued thereafter, if any, if deemed necessary or desirable by the Trustee.

ARTICLE IX

COVENANTS

Section 9.01. Undertaking to Provide Ongoing Disclosure. The System shall comply with the provisions of the Continuing Disclosure Certificate. Any failure by the System to perform in accordance with this Section shall not constitute an Event of Default, and the rights and remedies provided by this Indenture upon the occurrence of an Event of Default shall not apply to any such failure. The Trustee shall not have any power or duty to enforce this Section. No Owner of a Certificate shall be entitled to damages for the System's non-compliance with its obligations under this Section; however, the Owners of the Certificates may enforce specific performance of the obligations contained in this Section by any judicial proceeding available.

Section 9.02. Covenant to Budget. The Board covenants to specifically make sufficient provision annually in its budget to pay all Base Payments and reasonably estimated Additional Payments for the next Fiscal Year, as provided in Section 1.05 hereof.

ARTICLE X

MISCELLANEOUS

Section 10.01. Evidence of Signature of Certificate Owners and Ownership of Certificates.

(a) Any request, consent or other instrument which this Indenture may require or permit to be signed and executed by the Certificate Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Certificate Owners in person or by their attorneys appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the ownership of Certificates shall be sufficient (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may, nevertheless, in its discretion require further or other proof in cases where it deems the same desirable:

(b) The fact and date of the execution by any Certificate Owner or his or her attorney of such instrument may be proved by the certificate of any officer authorized to take acknowledgments in the jurisdiction in which he or she purports to act that the Person signing such request or other instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before a notary public.

(c) The fact of the owning by any Person of Certificates, the amounts and numbers of such Certificates and the date of the owning of the same may be proved by the registration records of the Trustee.

(d) Any request or consent of the Owner of any Certificate shall bind all transferees of such Certificate in respect of anything done or suffered to be done by the System or the Trustee in accordance therewith.

Section 10.02. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the System, the Trustee, the Certificate Insurer and the Certificate Owners, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the System or the Trustee shall be for the sole and exclusive benefit of the System, the Trustee, the Certificate Insurer and the Certificate Owners.

Section 10.03. Titles, Headings, Etc. The titles and headings of the articles, sections and subdivisions of this Indenture have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

Section 10.04. Severability. In the event any provision of this Indenture shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.05. Governing Law. This Indenture shall be governed and construed in accordance with the law of the State of Nevada.

Section 10.06. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.07. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified or registered mail or overnight mail, postage prepaid, addressed as follows: if to the System, Nevada System of Higher Education, 2601 Enterprise Road, Reno, NV 89512; if to the Trustee, U.S. Bank National Association, Global Corporate Trust Services U.S. Bank Center, LM-AZ-X16P, 101 North First Ave., Suite 1600, Phoenix, AZ 85003. Any notice that is required to be given to owners of Certificates under this Indenture shall also be given to the Certificate Insurer. The System and the Trustee may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 10.08. Payments Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day on which banking institutions in the State in which the principal operations office of the Trustee is located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are not authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Indenture.

IN WITNESS WHEREOF, the System and the Trustee have caused this Indenture to be executed in their respective corporate names and their respective corporate seals to be hereto affixed and attested by their duly authorized officials or officers, all as of the date first above written.

NEVADA SYSTEM OF HIGHER EDUCATION

Chairman, Board of Regents

Countersigned:

Chancellor, ex-officio Treasurer

(SEAL)

Attest:

Secretary to the Board of Regents

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Keith Henselen, Vice President

[Signature page of Installment Purchase Agreement and Indenture of Trust]

EXHIBIT A

DEFINITIONS

"Additional Payments" means all charges and costs (together with all interest and penalties that may accrue thereon in the event that the System shall fail to pay the same, as specifically set forth in this Indenture) which the System assumes or agrees to pay under this Indenture. Additional Payments do not include the Base Payments or the Redemption Price.

"Agreement" or "Indenture" means this Installment Purchase Agreement and Indenture of Trust dated as of [date], 2016 by and between the System and the Trustee, and any amendments or supplements thereto which are entered into in accordance with the provisions thereof, including the exhibits attached hereto.

"Agreement Term" means the term of this Indenture as provided in Article I hereof. Certain provisions of this Indenture survive the termination of the Agreement Term, as further provided herein.

"Authorized Denominations" means, with respect to the 2016 Certificates, denominations of \$5,000 or integral multiples thereof; provided that no 2016 Certificate may be issued in a denomination which exceeds the aggregate principal amount of 2016 Certificates coming due on any maturity date and no individual 2016 Certificate will be issued for more than one maturity.

"Base Payments" means the payments payable by the System pursuant to Section 1.05 of this Indenture and Exhibit B hereto, as it may be amended, during the Agreement Term.

"Board" means the Board of Regents of the System.

"Business Day" means any day other than a Saturday, Sunday or legal holiday on which banks in Reno, Nevada or New York, New York are authorized or required by law to remain closed.

"Certificate Fund" means the special fund created under Section 3.02 of this Indenture for the purpose of holding and disbursing to the Certificate Owners the Base Payments paid by the System, and includes both the Principal Account and the Interest Account thereof.

"Certificate Insurer" means municipal bond insurance company, if any, insuring the 2016 Certificates and any successors thereto.

"Certificate Insurance Policy" means the financial guaranty insurance policy issued by the Certificate Insurer insuring the payment when due of the principal of and interest on the 2016 Certificates as provided therein.

"2016B Certificates" means the Taxable Certificates of Participation, Series 2016B issued under this Indenture, which represent assignments of the right to receive Revenues pursuant to this Indenture.

"2016C Certificates" means the Taxable Certificates of Participation, Series 2016C issued under this Indenture, which represent assignments of the right to receive Revenues pursuant to this Indenture.

"Certificates" or "2016 Certificates" means the 2016B Certificates and the 2016C Certificates.

"Completion Date" means the date the Project is complete.

"Continuing Disclosure Certificate" means the certificate executed by the Chancellor of the System in connection with this Indenture or an amendment thereto, which constitutes an undertaking pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission.

"Escrow Account" means the special and separate account designated as Escrow Account and created herein, and required to be accumulated and maintained by the Escrow Agent under the Escrow Agreement.

"Escrow Agent" means U.S. Bank National Association, or any successor escrow agent.

"Escrow Agreement" means the contract designated as the "Nevada System of Higher Education, Certificates of Participation, Series 2016B and Series 2016C Escrow Agreement" between the System and the Escrow Agent, a copy of the proposed form of which contract is on file with the Secretary, and which contracts are authorized herein to be executed by the appropriate officers of the System designated in the agreement.

"Event of Default" means those defaults specified in Section 6.01 of this Indenture.

"Federal Securities" means noncallable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America, or interests in such obligations.

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

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court in the State and who is not an employee of the Trustee or the System.

"Initial Purchaser" means the initial purchaser of the 2016 Certificates on the date of delivery thereof.

"Interest Payment Date" means each January 1 and July 1 with the first interest payment to be made on July 1, 2016.

"Make-Whole Redemption Price" means a price equal to the greatest of:

- (1) 100% of the principal amount of the 2016 Certificates to be redeemed;
- (2) The issue price of the 2016 Certificates to be redeemed, as shown on the inside cover page of the Official Statement related to the 2016 Certificates dated _____, 2016; or
- (3) The sum of the present value of the remaining scheduled payments of principal and interest on the 2016 Certificates to be redeemed to the maturity date of such 2016 Certificates, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2016 Certificates are to be redeemed, discounted to the date on which the 2016 Certificates are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus __ basis points.

"NRS" means Nevada Revised Statutes, as amended and supplemented as of the date hereof.

"Opinion of Counsel" means an opinion in writing of legal counsel, who may be counsel to the Trustee or the System.

"Outstanding" or "Certificates Outstanding" means all Certificates which have been executed and delivered, except:

- (a) Certificates canceled or which shall have been surrendered to the Trustee for cancellation;
- (b) Certificates in lieu of which other Certificates have been executed under Section 2.13 or 2.14 of this Indenture;
- (c) Certificates which shall have been redeemed as provided in Article II of this Indenture (including Certificates redeemed on payment of an amount less than the principal amount thereof and accrued interest thereon as provided in Section 2.06 of this Indenture); and
- (d) Certificates which are deemed to be paid pursuant to Article V of this Indenture.

"Owner" or "registered owner" of a Certificate or "Certificate Owner" means the registered owner of any Certificate as shown on the registration records of the Trustee.

"Permitted Investments" means investments or deposits which are legal investments or deposits for the System under the then applicable laws of the State, including any state administered pool investment fund in which the System is statutorily permitted or required to invest. Any investments may not have maturities exceeding five years.

"Person" means natural persons, firms, associations, corporations and public bodies.

"Project" means the refunding of the Nevada System of Higher Education, Taxable Promissory Note, Series 2015B (University of Nevada, Las Vegas) (the "Refunded Note") and the costs of issuance of the 2016 Certificates.

"Project Account" means the special account created under Section 3.04 of this Indenture.

"Project Costs" shall be deemed to include payment of or reimbursement for the following items with respect to the Project:

(a) any costs paid or incurred for the acquisition of any real estate acquired as part of the Project;

(b) obligations paid or incurred for labor, materials and equipment in connection with the construction, acquisition, renovation and equipping of the Project;

(c) the cost of performance and payment bonds and of insurance of all kinds (including, without limitation, title insurance) that may be necessary or appropriate in connection with the Project;

(d) the costs of engineering and architectural services including obligations incurred or assumed for preliminary design and development work, test borings, surveys, estimates and plans and specifications;

(e) administrative costs related to the Project incurred, including supervision of the construction, acquisition, renovation and equipping as well as the performance of all of the other duties required by or consequent upon the construction, acquisition, renovation and equipping of the Project, including, without limitation, costs of preparing and securing all Project contracts, permits, architectural fees, legal fees and expenses, appraisal fees, independent inspection fees, engineering fees, auditing fees and advertising expenses in connection with the Project;

(f) costs incurred in connection with the Certificates, including the initial compensation and expenses of the Trustee, any fees and expenses of the System, legal fees and expenses, costs incurred in obtaining ratings from rating agencies, the premium for the Certificate Insurance Policy, accounting fees and expenses, costs of publication, printing and engraving and recording and filing fees and capitalization of interest on the Certificates;

(g) all costs which shall be required to be paid under the terms of any contract relating to the Project;

(h) payment of or reimbursement to the System for that portion of the Base Payments which is designated and paid as interest prior to the Completion Date; and

(i) all other costs which are considered to be a part of the costs of the Project in accordance with generally accepted accounting principles and which will not adversely affect the exclusion from gross income for Federal income tax purposes of the designated interest component of Base Payments payable by the System under this Indenture.

"Record Date" means the fifteenth day of the month next preceding each interest payment date for the Certificates.

"Redemption Price" means the amount payable, at the option of the System, for the purpose of redeeming the Outstanding Certificates pursuant to Section 2.06(a) of this Indenture.

"Revenues" means (i) the Base Payments; (ii) any earnings on moneys on deposit in the Certificate Fund; (iii) all other revenues derived from this Indenture, excluding Additional Payments and excluding payments constituting compensation to the Trustee for its services or reimbursement to the Trustee for costs or expenses; and (iv) any other moneys to which the Trustee may be entitled for the benefit of the Certificate Owners.

"Special Record Date" means a special date fixed to determine the names and addresses of registered owners of the Certificates for purposes of paying interest on a special interest payment date for defaulted interest, all as provided in this Indenture.

"State" means the State of Nevada.

"System" means the Nevada System of Higher Education, and its successors.

"System Representative" means the System's Chairman of the Board, the System's Chancellor, the System's Vice Chancellor for Finance and Administration, or any person or persons at the time designated to act on behalf of the System for purposes of performing any act under this Indenture by a written certificate furnished by the System to the Trustee containing the specimen signature of such person or persons and signed on behalf of the System by the Secretary to the Board. Such designation of the System Representative may be changed by the System from time to time by furnishing a new certificate to the Trustee.

"Treasurer" means the de jure or de facto treasurer of the System or any successor in functions, if any.

"Treasury Rate" means, with respect to any redemption date for a particular 2016 Certificate, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) (the "Statistical Release") that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if the Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2016 Certificates to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"Trustee" means U.S. Bank National Association, organized under the laws of the United States of America, acting in the capacity of trustee for the Certificate Owners pursuant to this Indenture, and any successor thereto appointed under this Indenture.

"Trust Estate" means the property pledged and assigned to the Trustee pursuant to the granting clauses of this Indenture.

"Trustee Representative" means the person or persons at the time designated to act on behalf of the Trustee for purposes of performing any act under this Indenture by a written certificate furnished by the Trustee to the System containing the specimen signature of such person or persons and signed on behalf of the Trustee by any duly authorized officer of the Trustee. The designation of the Trustee Representative may be changed by the Trustee from time to time by furnishing a new certificate to the System and the Trustee.

EXHIBIT B

BASE PAYMENTS SCHEDULE FOR 2016B CERTIFICATES

Date	Principal	Rate	Interest	Semi-Annual Base Payments	Annual Base Payments
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BASE PAYMENTS SCHEDULE FOR 2016C CERTIFICATES

Date	Principal	Rate	Interest	Semi-Annual Base Payments	Annual Base Payments
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EXHIBIT C

FORM OF CERTIFICATES

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

**TAXABLE CERTIFICATE OF PARTICIPATION
SERIES 2016[B][C]
Representing Assignments of the Right to Receive Certain
Revenues pursuant to the
Installment Purchase Agreement and Indenture of Trust
Between the Nevada System of Higher Education
and
U.S. Bank National Association, as Trustee**

No. R-_____ \$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated</u>	<u>CUSIP</u>
_____ per annum	July 1, 20__	_____, 2016	641494__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THIS CERTIFIES THAT the registered owner (the "Certificate Owners") specified above, or registered assigns, has an assignment of the right to receive certain revenues, as described below, pursuant to an Installment Purchase Agreement and Indenture of Trust dated as of [date], 2016 (the "Indenture") between the Nevada System of Higher Education (the "System"), and U.S. Bank National Association, as trustee (the "Trustee"). This Certificate is issued as a 2016[B][C] Certificate, as defined in the Indenture. This Certificate bears interest, matures, is payable, is subject to redemption, and is transferable as provided in the Indenture. Certain provisions hereof and of the Indenture, including, without limitation, provisions as to prior redemption, apply only to this series of Certificates. This Certificate is issued as one of a series of Certificates, including the Taxable Certificates of Participation, Series 2016B representing assignments of the right to receive certain revenues pursuant to the Indenture. To the extent not defined herein, terms used in this Certificate shall have the same meanings as set forth in Exhibit A to the Indenture.

The 2016[B][C] Certificates, representing assignments of the rights to receive certain revenues pursuant to the Indenture, are issued in the aggregate principal amount of \$_____,000 pursuant to the Indenture for the purpose, among others, of providing funds to

finance the Project. Under the Indenture, the System has agreed to pay directly to the Trustee Base Payments, which Base Payments are required by the Indenture to be distributed by the Trustee to the payment of the Certificates and interest thereon.

THE INDENTURE, THIS CERTIFICATE, THE ISSUE OF CERTIFICATES OF WHICH IT FORMS A PART, AND THE INTEREST HEREON DO NOT CONSTITUTE A GENERAL OBLIGATION OR OTHER INDEBTEDNESS OF THE STATE OF NEVADA OR GENERAL OBLIGATION OF THE SYSTEM WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR DEBT LIMITATION.

This Certificate is payable from any monies of the System legally available for the purpose of making such payment, and the System hereby covenants to make sufficient provision annually in its budget to pay the Base Payments and reasonably estimated Additional Payments when due. This Certificate does not constitute a debt or indebtedness of the State of Nevada or a charge against the State's credit or taxing power.

Reference is hereby made to the Indenture for a description of the rights, duties and obligations of the System, the Trustee, the Certificate Insurer and the Certificate Owners, the terms upon which the Certificates are secured, the terms and conditions upon which the Certificates will be deemed to be paid at or prior to maturity or redemption of the Certificates upon the making of provision for the full or partial payment thereof, the rights of the Certificate Owners upon the occurrence of an Event of Default, the ability to amend the Indenture, and to all the provisions of which the Certificate Owner by the acceptance of this Certificate assents.

This Certificate is issued with the intent that the laws of the State of Nevada shall govern its legality, validity, enforceability and construction.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until manually signed on behalf of the Trustee.

IN WITNESS WHEREOF, this Certificate has been executed with the manual signature of an authorized representative of the Trustee as of _____.

U.S. BANK NATIONAL ASSOCIATION
As Trustee

By (Manual Signature)
Authorized Representative

(End of Form of 2016 Certificate)

(Insert Statement of Insurance, if any)

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Address of transferee:

Social Security or other tax
Identification number of transferee:

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

(End of Form of Assignment)

(Form of Prepayment Panel)

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Certificate have been prepaid in accordance with the terms of the Indenture authorizing the issuance of this Certificate.

Date of Prepayment	Principal Prepaid	Signature of Authorized Representative of DTC

(End of Form of Prepayment Panel)

EXHIBIT D

Maturity Schedule for Taxable Certificates of Participation, Series 2016B

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate per annum</u>
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Maturity Schedule for Taxable Certificates of Participation, Series 2016C

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate per annum</u>
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**Taxable Certificates of Participation, Series 2016B
Representing Assignments of the
Right to Receive Certain
Revenues pursuant to the
Installment Purchase Agreement and Indenture of Trust
between the Nevada System of Higher Education
and
U.S. Bank National Association, as Trustee
and
Taxable Certificates of Participation, Series 2016C
Representing Assignments of the
Right to Receive Certain
Revenues pursuant to the
Installment Purchase Agreement and Indenture of Trust
between the Nevada System of Higher Education
and
U.S. Bank National Association, as Trustee**

CERTIFICATE PURCHASE AGREEMENT

_____, 2016

NEVADA SYSTEM OF HIGHER EDUCATION
2601 Enterprise Road
Reno, Nevada 89512

Dear Board of Regents of the Nevada System of Higher Education:

Citigroup Global Markets Inc. on behalf of itself and as representative of Morgan Stanley & Co. LLC and Robert W. Baird & Co., Inc. (the "Underwriters"), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Certificate Purchase Agreement (the "Certificate Purchase Agreement") with Nevada System of Higher Education (the "Issuer"), which will be binding upon the Issuer and upon the Underwriters upon acceptance by the Issuer. This offer is made subject to the Issuer's acceptance by the execution of this Certificate Purchase Agreement and its delivery to the Underwriters before 5:00 p.m., local time, on the date set forth hereinabove. If not so accepted, this Certificate Purchase Agreement will be subject to withdrawal by the Underwriters upon notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer.

Section 1. *Definitions.*

(a) In addition to the terms defined elsewhere in this Certificate Purchase Agreement, the following terms as used herein shall have the following meanings:

"Board" means the Board of Regents of the Issuer.

"2016B Certificates" means the Taxable Certificates of Participation, Series 2016B representing assignments of the right to receive certain revenues pursuant to the Indenture.

"2016C Certificates" means the Taxable Certificates of Participation, Series 2016C representing assignments of the right to receive certain revenues pursuant to the Indenture.

"Certificates" or the "2016 Certificates" means the 2016B Certificates and the 2016C Certificates representing assignments of the right to receive certain revenues pursuant to the Indenture.

"Closing" means the Issuer's delivery of the Certificates to the Underwriters and the Underwriters' payment of the purchase price for the Certificates to the Issuer at the offices of Special Counsel, in Reno, Nevada, at the Closing Date.

"Closing Date" means 9:00 a.m. local time, on _____, 2016 or such later date as may be acceptable to the Underwriters.

"Documents" means the Resolution, the Indenture and this Certificate Purchase Agreement.

"Indenture" means the Installment Purchase Agreement and Indenture of Trust dated as of March 1, 2016 between the Nevada System of Higher Education and U.S. Bank National Association, as trustee.

"Law" means NRS chapter 396, as amended.

"NRS" means the Nevada Revised Statutes.

"Official Statement" means the offering memorandum, offering circular, prospectus, or other similar document, including any addendum thereto, authorized by the Issuer as the official sales document(s) to be used by the Underwriters to offer the Certificates to others, with such changes as are noted thereon and as may be made thereto with the approval of the Underwriters from time to time prior to the Closing.

"Preliminary Official Statement" means the Preliminary Official Statement relating to the Certificates dated _____, 2016.

"Resolution" means the resolution of the Board adopted on March __, 2016, authorizing the issuance and sale of the Certificates and the terms and details thereof.

"Rule 15c2-12" means Rule 15c2-12 promulgated by the Securities and Exchange Commission.

"Special Counsel" means the law firm of Sherman & Howard L.L.C., or any nationally recognized bond counsel selected by the Issuer.

"Trustee" means U.S. Bank National Association or any successor thereto pursuant to the Indenture.

(b) Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Indenture.

Section 2. *Purchase, Sale and Delivery of the Certificates.*

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriters hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriters, all (but not less than all) of the Certificates.

The 2016B Certificates are to be dated as of the date of the Closing and shall bear interest (payable on January 1 and July 1 in each year commencing on ____ 1, 2016 and mature on the dates and bear interest at the rates set forth in Exhibit A hereto. The aggregate purchase price of the 2016B Certificates shall be \$_____ which is equal to the aggregate principal amount of the 2016B Certificates \$_____.00, less an underwriters' discount of \$_____ and [plus original issue premium] in the amount of \$_____. The 2016B Certificates shall be subject to redemption as set forth in Exhibit A.

The 2016C Certificates are to be dated as of the date of the Closing and shall bear interest (payable on January 1 and July 1 in each year commencing on ____ 1, 2016 and mature on the dates and bear interest at the rates set forth in Exhibit A hereto. The aggregate purchase price of the 2016C Certificates shall be \$_____ which is equal to the aggregate principal amount of the 2016C Certificates \$_____.00, less an underwriters' discount of \$_____ and [plus original issue premium] in the amount of \$_____. The 2016C Certificates shall be subject to redemption as set forth in Exhibit A.

The Certificates shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and be subject to redemption as provided in the Resolution, this Certificate Purchase Agreement and the Law.

(b) By official action of its Board, the Issuer has authorized and approved the use of the Preliminary Official Statement and has deemed the Preliminary Official Statement "final" for purposes of Rule 15c2-12, except for the information permitted to be omitted from the Preliminary Official Statement by Rule 15c2-12; and it hereby approves, as the Official Statement relating to the Certificates, the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto with the approval of Special Counsel and the Underwriters from time to time prior to the Closing Date. It is a condition of the offer of the Underwriters made hereby that the Issuer deliver to the Underwriters within seven business days of the date hereof an electronic copy of the Official Statement to enable the Underwriters to comply with the Underwriters' obligations under Rule 15c2-12.

(c) The Issuer hereby ratifies any prior use and authorizes the future use by the Underwriters, in connection with the offering and sale of the Certificates, of the Preliminary Official Statement, the Official Statement, the Documents and all information contained therein, and all other documents, certificates and statements furnished by the Issuer to the Underwriters in connection with the transactions contemplated by the Documents and the Law.

(d) Except as the Issuer and the Underwriters may otherwise agree, the Issuer will deliver to the Underwriters at the Closing Date: (i) at the offices of U.S. Bank National Association, as Trustee for the Certificates, on behalf of The Depository Trust Company in New York, New York, the Certificates, in definitive form duly executed by the Issuer in the manner provided for in the Resolution and the Law; and (ii) at the offices of Special Counsel in Reno, Nevada, or at such other location as may be designated by

the Underwriters, the documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the purchase price of the Certificates in immediately available funds. The Certificates shall be in fully registered form, without coupons, in authorized denominations under the Resolution, and one (1) typewritten certificate for each maturity of each series of the Certificates shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company. The Issuer shall deliver the Certificates through the book-entry facilities of The Depository Trust Company.

Section 3. *Representations, Warranties and Agreements of the Issuer.* The Issuer represents and warrants to and agrees with the Underwriters that:

(a) The Issuer is a body corporate and politic under the constitution and laws of the State and operating as a system of universities, colleges and research and public service units administered under the direction of the Board and has, and at the Closing Date will have, full legal right, power and authority (i) to enter into this Certificate Purchase Agreement, (ii) to issue, sell and deliver the Certificates to the Underwriters as provided herein, and (iii) to carry out, give effect to and consummate the transactions contemplated by the Resolution.

(b) With respect to the Certificates, the Issuer has complied with, and will at the Closing Date be in compliance in all respects with all applicable laws and agreements.

(c) The Issuer has, or prior to the Closing Date, will have, duly and validly: (i) adopted the Resolution, (ii) approved and authorized the execution and/or delivery of the Documents and any other applicable agreements; and (iii) authorized and approved the performance by the Issuer of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by the Law, the Official Statement, the Documents and any other applicable agreements. At the Closing Date, the Resolution will be in full force and effect. At the Closing Date (assuming due authorization, execution and delivery by the other parties thereto, where necessary, and the enforceability thereof against such other parties) the Certificates and the Documents will constitute the valid, legal and binding obligations of the Issuer, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought.

(d) The Issuer is not, and as of the Closing Date will not be, in breach of or default under any law or administrative rule or regulation of the State of Nevada or the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, indenture, contract, agreement or other instrument to which the Issuer is party or is otherwise subject or bound which breach or default would have a material adverse effect on the Issuer's ability to perform its obligations under the Certificates, the Documents and the Law; and the approval, execution and delivery of the Certificates, the Documents, and the other instruments contemplated by any of such documents to which the Issuer is a party, and compliance with the provisions of each thereof, will not conflict

with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of Nevada or the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, indenture, contract, agreement or other instrument to which the Issuer is a party or is otherwise subject or bound in any manner that would materially adversely affect the Issuer's ability to perform its obligations under the Certificates, the Documents and the Law.

(e) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Issuer of its obligations under the Certificates, the Documents and the Law, have been or will be obtained and are or will be in full force and effect.

(f) The descriptions contained in the Official Statement regarding the Certificates and the Resolution are fair and accurate descriptions thereof; and the Certificates, when delivered to and paid for by the Underwriters on the Closing Date as provided herein, will be validly issued and outstanding and entitled to all the benefits and security of the Resolution and the Law.

(g) The Official Statement (except "Appendix __ - Book Entry Only System") and the pricing information provided by the Underwriters, as to which no view is expressed) is and will be, as of the Closing Date, true, correct and complete in all material respects; and the Preliminary Official Statement, did not, as of its date, and the Official Statement (in each case, except the portions thereof mentioned above, as to which no view is expressed) does not and will not, as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(h) During the period commencing on the date hereof and ending on the date 25 days after the end of the "underwriting period" (as defined in Rule 15c2-12), if any event shall occur as a result of which it may be necessary to supplement the Official Statement in order to make the statements therein, in light of the circumstances existing at such time, not misleading, the Issuer shall forthwith notify the Underwriters of any such event of which it has knowledge and, if such event requires an amendment or supplement to the Official Statement, the Issuer will at its expense amend or supplement the Official Statement in a form and manner jointly approved by the Issuer and the Underwriters.

(i) No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body is pending, or to the knowledge of the Issuer, threatened, in any way affecting the existence of the Issuer or the titles of its officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the Certificates, the application of the proceeds thereof in accordance with the Resolution and the Law or the financing of the Project with proceeds

of the Certificates, or in any way contesting or affecting the validity or enforceability of the Documents or any action of the Issuer contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Official Statement or the powers of the Issuer or its authority with respect to the Documents or any action of the Issuer contemplated by any of said documents, nor to the knowledge of the Issuer, is there any basis therefor.

(j) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request, at the expense of the Underwriters, to qualify the Certificates for offer and sale under the "Blue Sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriters may designate, provided that the Issuer shall not be required to consent to service of process in any jurisdiction and provided further that no such action shall be at the expense of the Issuer. It is understood that the Issuer is not responsible for compliance with or the consequences of failure to comply with applicable "Blue Sky" laws.

(k) Any certificate signed by any official of the Issuer authorized to do so shall be deemed a certification by the Issuer to the Underwriters as to the statements made therein.

(l) The Issuer will apply the proceeds of the Certificates in accordance with the Resolution and the Law.

(m) The Issuer has complied with all of its prior disclosure undertakings under Rule 15c2-12 for the previous five fiscal years, except as disclosed in the Preliminary Official Statement.

Section 4. *Conditions to the Obligations of the Underwriters.* The obligations of the Underwriters to accept delivery of and pay for the Certificates on the Closing Date shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties on the part of the Issuer contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Issuer, as well as of the other individuals referred to herein, made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Issuer of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Certificates and the Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriters; and there shall have been taken in connection with the issuance of the Certificates and with the transactions contemplated by the Certificates and the Documents, all such actions as, in the opinion of Special Counsel shall be necessary and appropriate.

(b) At the Closing Date, the Official Statement shall be in form and substance satisfactory to the Underwriters.

(c) Between the date hereof and the Closing Date, the market price or marketability of the Certificates shall have been materially adversely affected, in the judgment of the Underwriters (evidenced by a written notice to the Issuer terminating the obligation of the Underwriters to accept delivery of and pay for the Certificates), by reason of any of the following:

(i) legislation introduced in or enacted by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise would be in violation of the federal securities laws as amended and then in effect;

(ii) a general suspension of trading in securities on the New York Stock Exchange, or a general banking moratorium declared by federal or State of Nevada officials authorized to do so, or an escalation of terrorist activities in this country or in our nation's military activities, or any other national calamity;

(iii) an outbreak or escalation of hostilities, including terrorist activities, in this country or in our nation's military activities; any other national calamity or crisis in the financial markets of the United States or elsewhere; or a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default of United States Treasury obligations;

(iv) the withdrawal or downgrading of any rating of any securities of the Issuer by a national rating agency;

(v) any amendment to the federal constitution or Nevada Constitution or action by any federal or Nevada court, legislative body, regulatory body or other authority materially adversely affecting the Issuer's property, income or securities (or interest thereon);

(vi) any event occurring, or information becoming known which, in the judgment of the Underwriters after consultation with the Issuer, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(vii) any material difference between the form of the opinion of Special Counsel appended to the Preliminary Official Statement and the form of the opinion that Special Counsel proposes to deliver in lieu thereof.

(d) At or prior to the Closing Date, the Underwriters shall have received counterpart originals or copies of the following documents, in each case satisfactory in form and substance to the Underwriters:

(i) The Official Statement;

(ii) The Resolution substantially in the form duly approved by the Board of the Issuer which shall not have been further amended or modified (except as may have been agreed to by the Underwriters) and which shall be in full force and effect as of the Closing Date;

(iii) Unqualified opinion of Special Counsel related to the Certificates, dated the Closing Date and addressed to the Issuer, in substantially the form appended to the Official Statement;

(iv) An opinion of Special Counsel, dated the Closing Date and addressed to the Underwriters, to the effect that (1) this Certificate Purchase Agreement has been duly authorized by the Issuer, duly executed and delivered by authorized officials of the Issuer, and, assuming due authorization, execution and delivery by the Underwriters, constitutes a valid and binding obligation of the Issuer, subject to the application of equitable principles, to the reasonable exercise in the future by the State of Nevada and its governmental bodies of the police power inherent in the sovereignty of the State of Nevada and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers; (2) the Certificates are exempt securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended; (3) the Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended; (4) the statements contained in the italicized first paragraph on the cover of the Official Statement and under the captions entitled "THE 2016 CERTIFICATES" (except the information under the caption "BOOK-ENTRY ONLY SYSTEM"), "SECURITY FOR THE CERTIFICATES", "_____", "_____" and Appendix __ - SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE (excluding statements contained under any other caption to which reference is made under such captions, as to which we express no view), insofar as such statements purport to summarize certain provisions of the Certificates, the security for the Certificates, the Resolution and the opinion of Special Counsel, present accurate summaries of such provisions;

(v) A certificate, dated the Closing Date and signed by the Vice Chancellor for Finance and Administration of the Issuer, to the effect that (1) the representations and warranties of the Issuer contained in this Certificate Purchase Agreement are true and correct in all material respects on and as of the Closing

Date with the same effect as if made on the Closing Date; (2) to the best knowledge of said officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (3) the Issuer is not in breach of or default under any law or administrative rule or regulation of the State of Nevada or the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, indenture, contract, agreement or other instrument to which the Issuer is a party or is otherwise subject or bound which breach or default would have a material adverse effect on the Issuer's ability to perform its obligations with respect to the Certificates and this Certificate Purchase Agreement, and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of Nevada or the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, indenture, contract, agreement or other instrument to which the Issuer is a party or is otherwise subject or bound in any manner that would materially adversely affect the Issuer's ability to perform its obligations with respect to the Certificates and this Certificate Purchase Agreement; (4) all approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Issuer of its obligations under the Certificates, the Documents and the Law, have been or will be obtained and are or will be in full force and effect; and (5) the Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Documents and the Law at and prior to the Closing Date;

(vi) A certificate of the Vice Chancellor for Legal Affairs for the Issuer, dated the Closing Date, to the effect that (1) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or, to such officer's knowledge, threatened in any way affecting the existence of the Issuer or the titles of its officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the Certificates, the application of the proceeds thereof in accordance with the Resolution, the Indenture and the Law, or in any way contesting or affecting the validity or enforceability of the Documents, or any action of the Issuer contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Official Statement or the powers of the Issuer or its authority with respect to the Documents or any action of the Issuer contemplated by any of them, or in any way seeking to enjoin or restrain the Issuer from financing the Project; (2) the Issuer is duly organized and validly existing as a political subdivision of the State of Nevada, with full legal right, power and authority to issue the Certificates and to perform all of its obligations

under the Documents; and (3) the statements contained in the Official Statement under the caption "LEGAL MATTERS—Litigation" and as of its date and as of the Closing Date, are true, correct and complete in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vii) A letter of Special Counsel to the Issuer, dated the Closing Date and addressed to the Issuer with a reliance letter to the Underwriters, relating to the Official Statement, stating, in substance, that during the course of their participation in the preparation of the Official Statement nothing came to the attention of the attorneys in their firm rendering legal services in connection with such representation which leads them to believe that the Official Statement as of its date (except for any financial statements, demographic, economic, engineering, financial, or statistical data and any statements of trends, forecasts, estimates, projections, assumptions, or any expressions of opinion, and information concerning The Depository Trust Company and its procedures contained in the Official Statement and its appendices, as to which they express no view) contained or contains any untrue statement of a material fact or omitted or omits any material fact required to be stated therein or necessary to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading;

(viii) Evidence that the Certificates have been rated at least "____" by Fitch Ratings and at least "____" by Standard and Poor's Rating Services.

(ix) A transcript of all proceedings relating to the authorization, issuance, sale and delivery of the Certificates; and

(x) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters or Special Counsel may reasonably request.

All the opinions, letters, certificates, instruments and other documents mentioned in this section or elsewhere in this Certificate Purchase Agreement shall be deemed to be in compliance with the terms hereof if, and only if, they are in form and substance satisfactory to the Underwriters.

If any of the conditions to the obligations of the Underwriters contained in this section or elsewhere in this Certificate Purchase Agreement shall not have been satisfied when and as required herein, all obligations of the Underwriters hereunder may be terminated, at, or at any time prior to, the Closing Date by written notice to the Issuer, except that the respective obligations of the Underwriters and the Issuer set forth in Section 6 hereof shall continue in full force and effect.

Section 5. *Conditions to the Obligations of the Issuer.* The Issuer has entered into this Certificate Purchase Agreement in reliance upon performance by the Underwriters of its

obligations hereunder and on representations contained in the documents and instruments to be delivered at Closing by parties other than the Issuer and its officers. The Issuer's obligations under this Certificate Purchase Agreement to sell and to deliver the Certificates shall be subject to performance by the Underwriters of the obligations to be performed by the Underwriters hereunder, to there being no litigation of a type described in Section 3(i) pending or to the knowledge of the Issuer, threatened at the time of the Closing and to each condition described in Section 4(a), 4(b) and 4(c) being fulfilled and to delivery by the Underwriters at Closing of a certificate in form and substance as set forth in Exhibit B of this Certificate Purchase Agreement.

Section 6. *Expenses.*

(a) Whether or not the Underwriters accept delivery of and pay for the Certificates as set forth herein, the Underwriters shall be under no obligation to pay, and the Issuer shall pay or cause to be paid out of any legally available funds of the Issuer all expenses incident to the performance of the Issuer's obligations hereunder, including but not limited to: the cost of printing and delivering the Certificates to the Underwriters; the cost of distribution and delivery of the Preliminary Official Statement and the Official Statement; the fees and disbursements of Special Counsel and the System's financial advisor; the fees and disbursements related to preparation of the Preliminary Official Statement and Official Statement, and any lawyers, accountants, engineers, appraisers or other experts or consultants the Issuer has retained in connection with the issuance of the Certificates.

(b) Whether or not the Certificates are delivered to the Underwriters as set forth herein, the Issuer shall be under no obligation to pay, and the Underwriters shall pay from the expense component of the underwriters' discount expenses of the Underwriters related to the financing including travel, conference calls, CUSIP fees, day loan and clearance fees, the cost for preparation of any "Blue Sky" or legal investment memoranda; the fees of Digital Assurance Certification, L.L.C. for continuing disclosure undertaking compliance review; expenses to qualify the Certificates for sale under any "Blue Sky" or other state securities laws; and all other expenses incurred by the Underwriters in connection with its public offering and distribution of the Bonds including, but not limited to, the fees and disbursements of Underwriters' counsel and any advertising expenses.

Section 7. *Notices.* Any notice or other communication to be given to the Issuer under this Certificate Purchase Agreement may be given by delivering the same in writing, if to the Issuer, to the Nevada System of Higher Education, 2601 Enterprise Road, Reno, Nevada 89512; and any notice or other communication to be given to the Underwriters under this Certificate Purchase Agreement may be given by delivering the same in writing to [Underwriters], _____.

Section 8. *Parties in Interest.* This Certificate Purchase Agreement is made solely for the benefit of the Issuer and the Underwriters (including successors or assignees of either of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof.

Section 9. *Governing Law.* This Certificate Purchase Agreement shall be construed in accordance with and governed by the laws of the State of Nevada. The Issuer and the Underwriters agree to be bound to the nonexclusive jurisdiction of the State of Nevada located in Washoe County or the United States District Court for the State of Nevada for the purpose of any suit, action or other proceeding arising out of this Certificate Purchase Agreement, or any of the agreements or transactions contemplated hereby, at the election of the party initiating any such suit, action or other proceeding, which is brought by or against the Underwriters or the Issuer and the parties each hereby irrevocable agree that all claims in respect of any such suit, action or proceeding may be heard and determined by such court.

Section 10. *Miscellaneous.* The Issuer acknowledges and agrees that (i) the purchase and sale of the Certificates pursuant to this Certificate Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as a principal and are not acting as the agent, advisor or fiduciary of the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations set forth in this Certificate Purchase Agreement, (iv) the Underwriters have financial and other interests that differ from those of the Issuer, and (v) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate. The Underwriters acknowledge and agree that the Underwriters have consulted their own legal, financial and other advisors in connection with the Certificates to the extent they have deemed appropriate.

Section 11. *Counterparts.* This Certificate Purchase Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

Section 12. *Effective.* This Certificate Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Issuer and shall be valid and enforceable as of the time of such acceptance.

[Remainder of page intentionally left blank]

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name: _____

Title: _____

Accepted:

NEVADA SYSTEM OF HIGHER
EDUCATION

By: _____
Vic Redding, Vice Chancellor for Finance
and Administration

[Signature page to 2016 Certificate Purchase Agreement]

EXHIBIT A

MATURITY SCHEDULE FOR 2016B CERTIFICATES

<u>Year Maturing</u> <u>(July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/Yield</u>
	\$		

MATURITY SCHEDULE FOR 2016C CERTIFICATES

<u>Year Maturing</u> <u>(July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/Yield</u>
	\$		

MANDATORY SINKING FUND REDEMPTION

The 2016B Certificates maturing on July 1, 20__ are subject to mandatory sinking fund redemption as provided in the Resolution to be redeemed on July 1 of the years and in the principal amounts provided below:

<u>Years</u>	<u>Amounts</u>
	\$ (stated maturity)

The 2016B Certificates maturing on July 1, 20__ are subject to mandatory sinking fund redemption as provided in the Resolution to be redeemed on July 1 of the years and in the principal amounts provided below:

<u>Years</u>	<u>Amounts</u>
	\$ (stated maturity)

The 2016C Certificates maturing on July 1, 20__ are subject to mandatory sinking fund redemption as provided in the Resolution to be redeemed on July 1 of the years and in the principal amounts provided below:

<u>Years</u>	<u>Amounts</u>
	\$ (stated maturity)

The 2016C Certificates maturing on July 1, 20__ are subject to mandatory sinking fund redemption as provided in the Resolution to be redeemed on July 1 of the years and in the principal amounts provided below:

<u>Years</u>	<u>Amounts</u>
	\$ (stated maturity)

OPTIONAL REDEMPTION

On or after July 1, 20__, the 2016B Certificates are subject to optional redemption prior to their respective maturities, at the option of the Issuer, on and after July 1, 20__, in whole or in part at any time, from any maturities selected by the Issuer as designated by the Vice Chancellor for Finance and Administration and on a pro rata basis within a maturity as described in the Official Statement under the caption "THE 2016 CERTIFICATES — Selection of Certificates for Redemption," at the redemption price equal to the sum of the principal amount of the 2016B Certificates to be redeemed, plus accrued but unpaid interest to the redemption date, without premium.

On or after July 1, 20__, the 2016C Certificates are subject to optional redemption prior to their respective maturities, at the option of the Issuer, on and after July 1, 20__, in whole or in part at any time, from any maturities selected by the Issuer as designated by the Vice Chancellor for Finance and Administration and on a pro rata basis within a maturity as described in the Official Statement under the caption "THE 2016 CERTIFICATES — Selection of Certificates for Redemption," at the redemption price equal to the sum of the principal amount of the 2016C Certificates to be redeemed, plus accrued but unpaid interest to the redemption date, without premium.

MAKE-WHOLE REDEMPTION FOR THE 2016[AB] CERTIFICATES

Prior to July 1, 20__, with respect to the 2016 Certificates, the 2016 Certificates are subject to optional redemption prior to their respective maturities, at the option of the Issuer, in whole or in part at any time, from any maturities selected by the Issuer and designated by the Vice Chancellor for Finance or the Chancellor and on a pro rata basis within a maturity as described in the Official Statement under the caption ["THE 2016 CERTIFICATES — Pro Rata Selection of 2016 Certificates," at the "Make-Whole Redemption Price"]; [provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the Issuer can legally agree to pay to redeem the 2016 Certificates under the provisions of State law, the Issuer shall not have an option to redeem the 2016 Certificates at that time pursuant to the provisions of this paragraph][provided, however, that if any time such Make-Whole Redemption Price is a price that exceeds the price the Issuer can legally agree to pay to redeem the 2016 Certificates under the provisions of State law, the Issuer shall have an option to redeem the 2016 Certificates at that time at a price equal to the maximum price the Issuer can legally pay pursuant to the provisions of this paragraph].

"Make-Whole Redemption Price" means a price equal to the greatest of:

- (1) 100% of the principal amount of the 2016 Certificates to be redeemed;
- (2) The issue price of the 2016 Certificates to be redeemed, as shown on the inside cover page of the Official Statement; or
- (3) The sum of the present value of the remaining scheduled payments of principal and interest on the 2016 Certificates to be redeemed to the maturity date of such 2016 Certificates, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2016 Certificates are to be redeemed, discounted to the date on which the 2016 Certificates are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus __ basis points.

"Treasury Rate" means, with respect to any redemption date for a particular 2016 Certificate, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) (the "Statistical Release") that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if the Statistical

Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2016 Certificates to be redeemed; provided, however that if the period from the redemption date to the maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

PRO RATA REDEMPTION FOR THE 2016B CERTIFICATES. If a portion of a maturity of the 2016B Certificates (including a Term Certificate) is being redeemed, the portion of a maturity of 2016B Certificates to be redeemed will be selected on a pro rata basis to each Holder of the 2016B Certificates in whose name such 2016B Certificates are registered on the Regular Record Date immediately preceding the redemption date. "Pro rata" for a Holder is determined, in part, by multiplying the principal amount of the 2016B Certificates of a maturity to be redeemed in part on the applicable redemption date by a fraction, the numerator of which is equal to the principal amount of the 2016B Certificates of that maturity owned by the Holder, and the denominator of which is equal to the total amount of the 2016B Certificates of that maturity then Outstanding immediately prior to such redemption date, and then rounding the product down to the next lower integral multiple of \$5,000, provided that the portion of any 2016B Certificate to be redeemed shall be in \$5,000 denominations and all 2016 Certificates to remain Outstanding following any redemption shall be in \$5,000 denominations. Adjustments to the foregoing pro rata redemption may be made in the amount of \$5,000 for any Holder, selected by lot, so that the aggregate amount of 2016B Certificates of a maturity being redeemed in part owned by all Holders is equal to the aggregate amount of 2016B Certificates of that maturity to be redeemed.

While DTC is the registered owner of the 2016B Certificates, partial redemptions (including any sinking fund payments) of the 2016B Certificates will be determined in accordance with DTC's procedures. The Issuer intends that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Issuer and the beneficial owners of the 2016B Certificates be made in accordance with the pro rata redemption provisions described above. However, the selection of the 2016B Certificates for redemption in DTC's book-entry only system is subject to DTC's practices and procedures as in effect at the time of any such partial redemption. The Issuer can provide no assurance that DTC or the DTC Participants or any other intermediaries will allocate redemptions among beneficial owners in accordance with the pro rata redemptions provisions described above.

PRO RATA REDEMPTION FOR THE 2016C CERTIFICATES. If a portion of a maturity of the 2016C Certificates (including a Term Certificate) is being redeemed, the portion of a maturity of 2016C Certificates to be redeemed will be selected on a pro rata basis to each Holder of the 2016C Certificates in whose name such 2016C Certificates are registered on the Regular Record Date immediately preceding the redemption date. "Pro rata" for a Holder is determined, in part, by multiplying the principal amount of the 2016C Certificates of a maturity to be redeemed in part on the applicable redemption date by a fraction, the numerator of which is equal to the principal amount of the 2016C Certificates of that maturity owned by the Holder, and the denominator of which is equal to the total amount of the 2016C Certificates of that maturity then Outstanding immediately prior to such redemption date, and then rounding the

product down to the next lower integral multiple of \$5,000, provided that the portion of any 2016C Certificate to be redeemed shall be in \$5,000 denominations and all 2016 Certificates to remain Outstanding following any redemption shall be in \$5,000 denominations. Adjustments to the foregoing pro rata redemption may be made in the amount of \$5,000 for any Holder, selected by lot, so that the aggregate amount of 2016C Certificates of a maturity being redeemed in part owned by all Holders is equal to the aggregate amount of 2016C Certificates of that maturity to be redeemed.

While DTC is the registered owner of the 2016C Certificates, partial redemptions (including any sinking fund payments) of the 2016C Certificates will be determined in accordance with DTC's procedures. The Issuer intends that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Issuer and the beneficial owners of the 2016C Certificates be made in accordance with the pro rata redemption provisions described above. However, the selection of the 2016C Certificates for redemption in DTC's book-entry only system is subject to DTC's practices and procedures as in effect at the time of any such partial redemption. The Issuer can provide no assurance that DTC or the DTC Participants or any other intermediaries will allocate redemptions among beneficial owners in accordance with the pro rata redemptions provisions described above.

EXHIBIT B

CERTIFICATE OF THE UNDERWRITERS

IT IS HEREBY CERTIFIED by the undersigned on behalf of [underwriters], as the Underwriters of the Taxable Certificates of Participation, Series 2016B (the "2016B Certificates") and the Taxable Certificates of Participation, Series 2016C (the "2016C Certificates"):

1. We acknowledge receipt of the 2016B Certificates in the aggregate principal amount of \$_____, bearing interest and maturing as provided in the Installment Purchase Agreement and Indenture of Trust dated as of March 1, 2016 between the Nevada System of Higher Education and U.S. Bank National Association, as trustee, and the instruments described therein, and such Certificates being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

2. We acknowledge receipt of the 2016C Certificates in the aggregate principal amount of \$_____, bearing interest and maturing as provided in the Installment Purchase Agreement and Indenture of Trust dated as of March 1, 2016 between the Nevada System of Higher Education and U.S. Bank National Association, as trustee, and the instruments described therein, and such Certificates being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

DATED as of _____, 2016.

[UNDERWRITERS],
as Underwriters

By: _____
Title: _____