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**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

**and**

**THE BANK OF NEW YORK TRUST COMPANY, N.A., as trustee**

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**TENTH SUPPLEMENTAL INDENTURE**

**Dated as of January 1, 2007**

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**\$1,123,935,000**

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA  
GENERAL REVENUE BONDS**

**2007 SERIES J**

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THIS TENTH SUPPLEMENTAL INDENTURE, made and entered into as of the first day of January, 2007, by and between THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a corporation organized and existing under and by virtue of Article IX, Section 9, of the Constitution of the State of California (herein called "The Regents"), and THE BANK OF NEW YORK TRUST COMPANY, N.A. (as successor in interest to BNY Western Trust Company), a corporation duly organized and existing under and by virtue of the laws of the United States of America, having a principal office in San Francisco, California, and being qualified to accept and administer the trusts hereby created (herein called the "Trustee"),

WITNESSETH:

WHEREAS, The Regents has heretofore authorized the issuance of its General Revenue Bonds issued under an indenture, dated as of September 1, 2003, as heretofore supplemented (the "2003 Indenture") by and between The Regents and the Trustee, in such series as from time to time shall be established and authorized by The Regents;

WHEREAS, the 2003 Indenture provides that The Regents may from time to time establish series of Bonds by supplemental indenture, and that The Regents may issue and the Trustee may authenticate and deliver Bonds of any such series in such principal amount as shall be determined by The Regents, upon compliance with the provisions, and subject to the conditions, set forth in the 2003 Indenture;

WHEREAS, The Regents has now determined to use the proceeds of the sale of the 2007 Series J Bonds (hereinafter defined) to refund the Prior Obligations and the Prior Research Facilities Revenue Bonds (hereinafter defined), which financed or refinanced the acquisition and construction of certain facilities of the University of California, including, but not limited to student centers, recreation and events facilities, research facilities, bookstores, certain seismic retrofitting improvements and certain academic, administrative and other facilities of the University;

WHEREAS, in order to obtain funds for such purpose, The Regents desires to issue, sell and deliver \$1,123,935,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2007 Series J (the "2007 Series J Bonds"), all under and in accordance with the 2003 Indenture and this Tenth Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2007 Series J Bonds and the Trustee's certificate of authentication to appear thereon, and assignment to appear thereon, shall be in substantially the form, with necessary or appropriate variations, omissions and insertions, as permitted or required by the Indenture, as set forth in Exhibit A, attached hereto;

WHEREAS, The Regents certifies that all acts and proceedings required by law necessary to make the 2007 Series J Bonds when executed by The Regents, authenticated and delivered by the Trustee and duly issued, the valid, legal and binding limited obligations of The Regents, payable out of General Revenues as provided in the Indenture, and to constitute this Tenth Supplemental Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Tenth Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS TENTH SUPPLEMENTAL INDENTURE WITNESSETH, that in order to secure the payment of the principal of, premium, if any, and interest on, all Bonds at any time issued and Outstanding pursuant to the Indenture as from time to time supplemented and amended, and to secure the performance and observance of the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2007 Series J Bonds are to be issued and received, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2007 Series J Bonds by the owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, The Regents covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective owners from time to time of the Bonds, as follows:

## **ARTICLE XXI**

### **2007 SERIES J BONDS**

**SECTION 21.01 Definitions.** Unless the context otherwise requires, the terms defined in this Section 21.01 shall, for all purposes of the Indenture and this Tenth Supplemental Indenture, have the meanings herein specified. All other terms defined in the Indenture and used herein shall have the meanings assigned to such terms in the Indenture.

#### **Authorized Denomination**

“Authorized Denomination” means \$5,000 or any integral multiple thereof with respect to 2007 Series J Bonds.

#### **Beneficial Holder**

“Beneficial Holder” means any Person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2007 Series J Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

#### **FSA**

“FSA” means Financial Security Assurance Inc., a New York stock insurance company, or any successor thereto or assignee thereof.

#### **FSA Insured 2007 Series J Bonds**

“FSA Insured 2007 Series J Bonds” means the 2007 Series J Bonds maturing on May 15, 2015, May 15, 2016 with a coupon of 5.00%, May 15, 2017 through May 15, 2021, inclusive, May 15, 2022 with a coupon of 5.00%, May 15, 2023, May 15, 2026, May 15, 2028, May 15, 2031 and May 15, 2035.

#### **FSA 2007 Series J Policy**

“FSA 2007 Series J Policy” means the municipal bond insurance policy issued by FSA insuring the payment when due of the principal of and interest on the FSA Insured 2007 Series J Bonds as provided therein.

### **Interest Payment Date**

"Interest Payment Date" shall have the meaning as given in Section 21.03 of this Tenth Supplemental Indenture.

### **MBIA**

"MBIA" means MBIA Insurance Corporation, a stock insurance company incorporated under the laws of the State of New York, or any successor thereto.

### **MBIA Insured 2007 Series J Bonds**

"MBIA Insured 2007 Series J Bonds" means the 2007 Series J Bonds maturing on May 15, 2011 through May 15, 2014, inclusive, and May 15, 2016 with a coupon of 4.00%.

### **MBIA 2007 Series J Policy**

"MBIA 2007 Series J Policy" means the financial guaranty insurance policy issued by MBIA insuring the payment when due of the principal of and interest on the MBIA Insured 2007 Series J Bonds as provided therein.

### **Participating Underwriter**

"Participating Underwriter" means any of the original underwriters of the 2007 Series J Bonds required to comply with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time, in connection with the offering of the 2007 Series J Bonds.

### **Prior Research Facilities Revenue Bonds**

"Prior Research Facilities Revenue Bonds" means all or a portion of The Regents of the University of California Research Facilities Revenue Bonds, 1998 Series C and 2001 Series E, as more fully described in the escrow agreement providing for the defeasance and refunding thereof.

### **Prior Obligations**

"Prior Obligations" means all or a portion of The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series K, L, M, O, P and Q; and The Regents of the University of California Certificates of Participation, 2002 Series A, as more fully described in the escrow agreement providing for the defeasance and refunding thereof.

### **Record Date**

"Record Date" shall have the meaning as given in Section 21.03 of this Tenth Supplemental Indenture.

## **Research Facilities Escrow Agent**

“Research Facilities Escrow Agent” means U.S. Bank National Association as escrow agent pursuant to the escrow agreement, dated as of January 1, 2007, by and between The Regents and U.S. Bank National Association relating to the Prior Research Facilities Revenue Bonds.

## **Tenth Supplemental Indenture**

“Tenth Supplemental Indenture” means this Tenth Supplemental Indenture, as executed by The Regents and the Trustee in accordance with the Indenture, and which is supplemental to the Indenture.

## **2007 Series J Bonds**

“2007 Series J Bonds” means The Regents of the University of California General Revenue Bonds, 2007 Series J, authorized under and secured by the 2003 Indenture and this Tenth Supplemental Indenture.

### **SECTION 21.02      Authorization of 2007 Series J Bonds.**

(A) A tenth series of Bonds to be issued under the Indenture is hereby created and authorized to be issued, and such Bonds are designated as “The Regents of the University of California General Revenue Bonds, 2007 Series J.” The aggregate principal amount of 2007 Series J Bonds which may be issued and outstanding under the Indenture shall not exceed One Billion One Hundred Twenty-Three Million Nine Hundred Thirty-Five Thousand Dollars (\$1,123,935,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2007 Series J Bonds are authorized and issued to refund the Prior Obligations and Prior Research Facilities Revenue Bonds and to pay for Costs of Issuance of the 2007 Series J Bonds.

(C) The 2007 Series J Bonds shall be equally and ratably secured with all Bonds authorized in the Indenture to be issued or to be subsequently Outstanding thereunder, without preference, priority or distinction (other than with respect to terms of maturity, interest payment dates, sinking fund payments or provisions for redemption) of any one Bond over any other or of the Bonds of any one Series over any other Series, except as otherwise provided in the Indenture.

### **SECTION 21.03      Terms of 2007 Series J Bonds.**

(A) The 2007 Series J Bonds shall bear interest at the rates per annum, payable semiannually on May 15 and November 15 in each year (each, an “Interest Payment Date”), commencing May 15, 2007, until payment of the principal of said Bonds and shall mature on May 15 in each of the years, and in the amounts, as follows:

<u>Date Maturing May 15</u>	<u>Principal Amount</u>	<u>Rate</u>
2007	\$ 9,255,000	4.00%
2008	3,665,000	4.00
2009	3,805,000	4.00
2010	10,445,000	4.00
2011	6,875,000	3.40
2011	8,045,000	5.00
2012	13,270,000	4.00
2012	9,325,000	5.00
2013	9,360,000	4.00
2013	14,200,000	5.00
2014	29,705,000	5.00
2015	34,540,000	5.00
2016	10,000,000	4.00
2016	26,225,000	5.00
2017	41,070,000	5.00
2018	44,595,000	5.00
2019	3,275,000	4.50
2019	43,500,000	5.00
2020	38,550,000	5.00
2021	38,665,000	5.00
2022	25,000,000	4.35
2022	15,535,000	5.00
2023	42,355,000	5.00
2024	25,450,000	4.25
2024	18,975,000	4.375
2025	59,645,000	4.40
2026	45,705,000	4.50
2028	97,500,000	4.50
2031	213,745,000	4.50
2035	181,655,000	4.50

The principal of the 2007 Series J Bonds shall be payable at the corporate trust office of the Trustee in San Francisco, California, in lawful money of the United States of America. The interest thereon is payable to the person whose name appears on the bond registration books of the Trustee as the registered owner thereof as of the close of business on the first day of the month in which the Interest Payment Date occurs (the "Record Date"), whether or not such day is a Business Day, such interest to be paid by check or draft mailed to such registered owner at his or her address as it appears on such registration books.

(B) The 2007 Series J Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2007 Series J Bonds shall be substantially in the form set forth in Exhibit A.

(C) The 2007 Series J Bonds shall be dated as of the date of original delivery, and shall be registered on the date of registration noted on such Bond by the Trustee. Each 2007 Series J Bond shall bear interest from the Interest Payment Date next preceding the date of registration thereof unless such date of registration is an Interest Payment Date, in which event it shall bear interest from the date of registration thereof, or unless it is registered on or before May 15, 2007, in which event it shall bear interest from the date of original delivery. The 2007 Series J Bonds may be exchanged and transferred as provided in Article II of the Indenture, provided that no exchange or transfer need be made by the Trustee during the period beginning on the first day of the month in which the Interest Payment Date occurs and ending on such Interest Payment Date.

#### **SECTION 21.04      Redemption of 2007 Series J Bonds.**

(A) The 2007 Series J Bonds maturing on or before May 15, 2015 are not subject to optional redemption. The 2007 Series J Bonds maturing on or after May 15, 2016 are subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2007 Series J Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 21.06 herein, as a whole or in part (in such order of maturity as shall be selected by the Trustee upon direction by The Regents and by lot within a maturity) on any date, on or after May 15, 2015 at the following redemption prices (expressed as percentages of the principal amount of 2007 Series J Bonds called for redemption) together with interest accrued thereon to the date fixed for redemption:

<b>Redemption Period (Dates Inclusive)</b>	<b>Redemption Price</b>
May 15, 2015 to May 14, 2016	101%
May 15, 2016 and thereafter	100%

(B) The 2007 Series J Bonds maturing on May 15, 2028, are subject to redemption prior to maturity in part, by lot, at the principal amount thereof plus accrued interest to the date of redemption, without premium, from Mandatory Sinking Account Payments in the following amounts, commencing on May 15, 2027 according to the following schedule:

<b>Year</b>	<b>Mandatory Sinking Account Payment</b>
2027	\$47,700,000
2028*	49,800,000

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\* Final Maturity



(C) The 2007 Series J Bonds maturing on May 15, 2031, are subject to redemption prior to maturity in part, by lot, at the principal amount thereof plus accrued interest to the date of redemption, without premium, from Mandatory Sinking Account Payments in the following amounts, commencing on May 15, 2029 according to the following schedule:

<b>Year</b>	<b>Mandatory Sinking Account Payment</b>
2029	\$68,230,000
2030	71,205,000
2031*	74,310,000

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\* Final Maturity

(D) The 2007 Series J Bonds maturing on May 15, 2035, are subject to redemption prior to maturity in part, by lot, at the principal amount thereof plus accrued interest to the date of redemption, without premium, from Mandatory Sinking Account Payments in the following amounts, commencing on May 15, 2032 according to the following schedule:

<b>Year</b>	<b>Mandatory Sinking Account Payment</b>
2032	\$50,445,000
2033	41,880,000
2034	43,710,000
2035*	45,620,000

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\* Final Maturity

(E) Whenever provision is made for the redemption of a portion of the 2007 Series J Bonds of a maturity date, the Trustee shall select the 2007 Series J Bonds to be redeemed by lot.

(F) Except as in this Section otherwise provided, the redemption of 2007 Series J Bonds shall be subject to the provisions of Article IV of the Indenture.

**SECTION 21.05      Issuance of 2007 Series J Bonds.** The Trustee, forthwith upon the execution and delivery of this Tenth Supplemental Indenture and of the other documents required by Section 3.01 of the Indenture, or from time to time thereafter, upon the execution and delivery to it by The Regents of the 2007 Series J Bonds, and without any further action on the part of The Regents, shall authenticate 2007 Series J Bonds in the aggregate principal amount of One Billion One Hundred Twenty-Three Million Nine Hundred Thirty-Five Thousand Dollars (\$1,123,935,000) and shall deliver them to or upon the Written Order of The Regents.

**SECTION 21.06      Application of Proceeds; Establishment of 2007 Series J**

**Funds.**

(A) The proceeds received by the Trustee upon the sale of the 2007 Series J Bonds (following the payment of the underwriters' discount (\$5,254,918.24), the premium for the MBIA 2007 Series J Policy (\$241,000) and the premium for the FSA 2007 Series J Policy (\$2,956,604.95), and the transfer of \$185,609,955.49 to the Research Facilities Escrow Agent by the original purchasers of the 2007 Series J Bonds) shall be applied or deposited as follows:

(1) \$964,596,933.16 shall be applied to the refunding of the Prior Obligations pursuant to the Written Order of The Regents; and

(2) \$1,253,178.71 shall be transferred to The Regents for deposit in the 2007 Series J Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section.

(B) 2007 Series J Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2007 Series J Costs of Issuance Fund." Moneys in the 2007 Series J Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2007 Series J Bonds, and at the end of six months from the date of issuance of the 2007 Series J Bonds, or upon earlier determination by The Regents that the amounts in said fund are no longer required for payment of Costs of Issuance, said fund shall be terminated and any amounts then remaining in said fund shall be transferred to the Trustee for deposit in the Debt Service Fund.

(C) 2007 Series J Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2007 Series J Optional Redemption Subaccount." Moneys in the 2007 Series J Optional Redemption Subaccount shall be used for the redemption or purchase of 2007 Series J Bonds from money allocable to the 2007 Series J Bonds and required, pursuant to Section 21.04(A) of this Tenth Supplemental Indenture, to be deposited into such subaccount.

**SECTION 21.07      Tax Covenants.** The Regents will not make any use of the proceeds of the 2007 Series J Bonds or any other funds of The Regents which will cause any 2007 Series J Bond to be an "arbitrage bond" subject to federal income taxation by reason of Section 148 of the Code, or a "federally-guaranteed obligation" under Section 149(b) of the Code, or a "private activity bond" as described in Section 141 of the Code. To that end, The Regents, with respect to such proceeds and such other funds will comply with all requirements of such sections of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and in effect.

If at any time The Regents is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee or under this Indenture, The Regents shall so instruct the Trustee or the appropriate officers of the Regents in writing, and the Trustee or the appropriate officers of The Regents, as the case may be, shall take such actions as may be necessary in accordance with such instructions.

In furtherance of the covenants of The Regents set forth above, The Regents will comply with the Tax Certificate and will cause the Trustee to comply with the Tax Certificate.

**SECTION 21.08      Terms of 2007 Series J Bonds Subject to the Indenture.**

Except as in this Tenth Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Tenth Supplemental Indenture and to the 2007 Series J Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Tenth Supplemental Indenture. As supplemented by this Tenth Supplemental Indenture, the Indenture is hereby confirmed.

**SECTION 21.09      MBIA Payment Provisions.**

As long as the MBIA 2007 Series J Policy shall be in full force and effect, The Regents hereby covenants to send written notice to the Trustee on or before the third Business Day prior to the payment date on the MBIA Insured 2007 Series J Bonds in the event The Regents determines there will be an insufficient amount in the Debt Service Fund on such payment date to pay the principal of and interest on the MBIA Insured 2007 Series J Bonds on such payment date, and The Regents and the Trustee additionally agree to comply with the following provisions:

(A) In the event that, on the second Business Day, and again on the Business Day, prior to the payment date on the MBIA Insured 2007 Series J Bonds, after taking into account the right of The Regents to transfer funds to the Trustee for deposit in the Debt Service Fund on or before each payment date on the MBIA Insured 2007 Series J Bonds and in reliance on the covenant of The Regents contained in this Section, the Trustee has not received sufficient moneys to pay all principal of and interest on the MBIA Insured 2007 Series J Bonds due on the second following or following, as the case may be, Business Day, the Trustee shall immediately notify MBIA or its designee on the same Business Day by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(B) If the deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify MBIA or its designee.

(C) In addition, if the Trustee has notice that any Holder of MBIA Insured 2007 Series J Bonds has been required to disgorge payments of principal or interest on the MBIA Insured 2007 Series J Bonds to a trustee in bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Holder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify MBIA or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

(D) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Holders of the MBIA Insured 2007 Series J Bonds as follows:

(1) If and to the extent there is a deficiency in amounts required to pay interest on the MBIA Insured 2007 Series J Bonds, the Trustee shall (a) execute and deliver to U.S. Bank

Trust National Association, or its successors under the MBIA 2007 Series J Policy (the "Insurance Paying Agent/Trustee"), in form satisfactory to the Insurance Paying Agent/Trustee, an instrument appointing MBIA as agent for such Holders in any legal proceeding related to the payment of such interest and an assignment to MBIA of the claims for interest to which such deficiency relates and which are paid by MBIA, (b) receive as designee of the respective Holders (and not as Trustee) in accordance with the tenor of the MBIA 2007 Series J Policy payment from the Insurance Paying Agent/Trustee with respect to the claims for interest so assigned, and (c) disburse the same to such respective Holders; and

(2) If and to the extent of a deficiency in amounts required to pay principal of the MBIA Insured 2007 Series J Bonds, the Trustee shall (a) execute and deliver to the Insurance Paying Agent/Trustee in form satisfactory to the Insurance Paying Agent/Trustee an instrument appointing MBIA as agent for such Holder in any legal proceeding relating to the payment of such principal and an assignment to MBIA of any of the MBIA Insured 2007 Series J Bonds surrendered to the Insurance Paying Agent/Trustee of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Paying Agent/Trustee is received), (b) receive as designee of the respective Holders (and not as Trustee) in accordance with the tenor of the MBIA 2007 Series J Policy payment therefor from the Insurance Paying Agent/Trustee, and (c) disburse the same to such Holders.

(E) Payments with respect to claims for interest on and principal of MBIA Insured 2007 Series J Bonds disbursed by the Trustee from proceeds of the MBIA 2007 Series J Policy shall not be considered to discharge the obligation of The Regents with respect to such MBIA Insured 2007 Series J Bonds, and MBIA shall become the owner of such unpaid MBIA Insured 2007 Series J Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.

#### **SECTION 21.10      FSA Payment Provisions**

As long as the FSA 2007 Series J Policy shall be in full force and effect, The Regents hereby covenants to send written notice to the Trustee on or before the third Business Day prior to the related scheduled interest payment date or principal payment date (the "Payment Date") on the FSA Insured 2007 Series J Bonds in the event The Regents determines there will be an insufficient amount in the Debt Service Fund on such Payment Date to pay the principal of and interest on the FSA Insured 2007 Series J Bonds on such Payment Date, and The Regents and the Trustee additionally agree to comply with the following provisions:

(A) If, on the third Business Day prior to the Payment Date, after taking into account the right of The Regents to transfer funds to the Trustee for deposit in the Debt Service Fund on or before each Payment Date on the FSA Insured 2007 Series J Bonds and in reliance on the covenant of The Regents contained in this Section, there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the FSA Insured 2007 Series J Bonds due on such Payment Date, the Trustee shall give notice to FSA and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, after taking into account the right of The Regents to transfer funds to the Trustee for

deposit in the Debt Service Fund on or before each Payment Date on the FSA Insured 2007 Series J Bonds and in reliance on the covenant of The Regents contained in this Section, there continues to be a deficiency in the amount available to pay the principal of and interest on the FSA Insured 2007 Series J Bonds due on such Payment Date, the Trustee shall make a claim under the FSA 2007 Series J Policy and give notice to FSA and FSA's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the FSA Insured 2007 Series J Bonds and the amount required to pay principal of the FSA Insured 2007 Series J Bonds, confirmed in writing to FSA and FSA's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the FSA 2007 Series J Policy.

(B) In the event the claim to be made is for a mandatory sinking fund redemption installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected Bondholders who surrender their FSA Insured 2007 Series J Bonds a new FSA Insured 2007 Series J Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the FSA Insured 2007 Series J Bond surrendered. The Trustee shall designate any portion of payment of principal on FSA Insured 2007 Series J Bonds paid by FSA, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of FSA Insured 2007 Series J Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement FSA Insured 2007 Series J Bond to FSA, registered in the name of Financial Security Assurance Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement FSA Insured 2007 Series J Bond shall have no effect on the amount of principal or interest payable by the Issuer on any FSA Insured 2007 Series J Bond or the subrogation rights of FSA.

(C) The Trustee shall keep a complete and accurate record of all funds deposited by FSA into the FSA 2007 Series J Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal paid in respect of any FSA Insured 2007 Series J Bond. FSA shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(D) Upon payment of a claim under the FSA 2007 Series J Policy the Trustee shall establish a separate special purpose trust account for the benefit of Holders of FSA Insured 2007 Series J Bonds referred to herein as the "FSA 2007 Series J Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the FSA 2007 Series J Policy in trust on behalf of Holders of FSA Insured 2007 Series J Bonds and shall deposit any such amount in the FSA 2007 Series J Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Holders of FSA Insured 2007 Series J Bonds in the same manner as principal and interest payments are to be made with respect to the FSA Insured 2007 Series J Bonds under the sections hereof regarding payment of FSA Insured 2007 Series J Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth in the Indenture, and to the extent permitted by law, in the event

amounts paid under the FSA 2007 Series J Policy are applied to claims for payment of principal of or interest on the FSA Insured 2007 Series J Bonds, interest on such principal of and interest on such FSA Insured 2007 Series J Bonds shall accrue and be payable from the date of such payment at the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank or its successor at its principal office in the City of New York, as its prime or base lending rate plus 3%, and (ii) the then applicable rate of interest on the FSA Insured 2007 Series J Bonds provided that in no event shall such rate exceed the maximum rate permissible under applicable usury or similar laws limiting interest rates.

(E) Funds held in the FSA 2007 Series J Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the FSA 2007 Series J Policy Payments Account following a Payment Date shall promptly be remitted to FSA.

**SECTION 21.11     Article and Section Headings.** The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Tenth Supplemental Indenture.

**SECTION 21.12     Execution in Several Counterparts.** This Tenth Supplemental Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as The Regents and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Tenth Supplemental Indenture to be signed in its corporate name by its Chairman and its Acting Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Tenth Supplemental Indenture to be signed in its corporate name by one of its Vice Presidents, all as of this day and year first above written.

THE REGENTS OF THE UNIVERSITY OF  
CALIFORNIA

By: \_\_\_\_\_

Chairman

By: \_\_\_\_\_

Acting Secretary

Approved as to form:

\_\_\_\_\_  
University Counsel

THE BANK OF NEW YORK TRUST  
COMPANY, N.A.,  
as Trustee

By: \_\_\_\_\_

Vice President

**EXHIBIT A**  
**FORM OF 2007 SERIES J BOND**

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**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**  
**GENERAL REVENUE BONDS, 2007 SERIES J**

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
%	May 15, _____		

REGISTERED OWNER:     CEDE & CO.

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

The Regents of the University of California, a corporation organized and existing under Article IX, Section 9, of the Constitution of the State of California (herein called "The Regents"), for value received, hereby promises to pay (but only out of General Revenues as hereinafter provided) to the registered owner referred to above or registered assigns on the maturity date referred to above (subject to any right of prior redemption hereinafter expressly reserved) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of registration of this Bond (unless such date of registration is an interest payment date, in which event it shall bear interest from such date of registration, or unless this Bond is registered on or before May 15, 2007, in which event it shall bear interest from the original issue date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above (based on a 360-day year consisting of twelve 30-day months), payable on May 15, 2007, and semiannually thereafter on each November 15 and May 15.

The principal or redemption price hereof is payable upon presentation and surrender hereof at the corporate trust office of The Bank of New York Trust Company, N.A. (as successor in interest to BNY Western Trust Company) (herein called the "Trustee"), in San Francisco, California, and interest shall be paid by check mailed to the person in whose name this Bond is registered as of the close of business on the first day of the month in which an interest payment date occurs, at the address of such registered owner shown on the books of the Trustee.

This Bond is one of a duly authorized issue of Bonds of The Regents designated as "The Regents of the University of California General Revenue Bonds" (herein called the



"Bonds"), unlimited in aggregate principal amount, except as otherwise provided in the Indenture hereinafter mentioned, of the series and designation indicated on the face hereof, which issue of Bonds consists or may consist of one or more series, of varying dates, numbers, interest rates and other provisions as in said Indenture provided, all issued under an indenture, dated as of September 1, 2003, by and between The Regents and the Trustee, as heretofore supplemented and as supplemented by a Tenth Supplemental Indenture, dated as of January 1, 2007, by and between The Regents and the Trustee (as so supplemented, the "Indenture"). This Bond, together with all other Bonds issued under the Indenture, is authorized to be issued pursuant to the powers and authority of The Regents contained in Article IX, Section 9 of the Constitution of the State of California. The Bonds are limited obligations of The Regents to which The Regents is obligated to apply only the General Revenues (herein called the "General Revenues") as defined in, and only to the extent required by, the Indenture, to the payment of the principal of and interest and premium, if any, on the Bonds. This Bond is not a lien, charge or liability against the State of California or against The Regents or against the property or funds of either, except to the extent of the pledge of the General Revenues, as provided by the Indenture. Under the Indenture, the pledge and lien on General Revenues is junior to the pledge and lien of certain other indebtedness of The Regents, and the Indenture permits The Regents to incur additional indebtedness or obligations payable from General Revenues, including additional indebtedness or obligations secured by a pledge and lien on General Revenues senior in priority, on a parity with, or subordinate to, the pledge and lien of the Indenture. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and of the rights and obligations of The Regents thereunder, to all of the provisions of which Indenture the owner of this Bond, by acceptance hereof, assents and agrees.

The Indenture and the rights and obligations of The Regents and the Trustee and the owners of the Bonds may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided, however, that no such modification or amendment shall (1) extend the stated maturity of this Bond or reduce the rate of interest hereon, or extend the time of payment of interest, or reduce the amount of the principal hereof, or reduce any premium payable on the redemption hereof, without the consent of the owner hereof, or (2) reduce the percentage of owners of Bonds Outstanding whose consent is required for the execution of a supplemental indenture, without the consent of the owners of all Bonds then Outstanding.

The Bonds are subject to redemption prior to maturity upon the conditions, at the times and at the redemption prices as set forth in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture. The Indenture provides that in certain events such declaration and its consequences may be rescinded by the owners of at least a majority in aggregate principal amount of the Bonds then outstanding.

The 2007 Series J Bonds are issuable only as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations

and upon payment of the charges, if any, provided in the Indenture, 2007 Series J Bonds may be exchanged at the corporate trust office of the Trustee in San Francisco, California, for a like aggregate principal amount of Bonds of other authorized denominations. This Bond is transferable by the registered owner hereof, in person, or by its duly authorized attorney, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds, of the same series, authorized denomination or denominations and for the same aggregate principal amount, will be delivered to the transferee in exchange herefor. The registered owner hereof shall be deemed and regarded as the absolute owner hereof for all purposes.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of California and that the amount of this Bond, together with all other indebtedness of The Regents, does not exceed any limit prescribed by the Constitution or laws of the State of California.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Bond to be executed in its name and on its behalf by the facsimile signatures of its Chairman and its Acting Secretary and its corporate seal to be imprinted or impressed hereon all as of the Original Issue Date.

THE REGENTS OF THE UNIVERSITY  
OF CALIFORNIA

By: \_\_\_\_\_  
Chairman

(Seal)

By: \_\_\_\_\_  
Acting Secretary

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

THE BANK OF NEW YORK TRUST  
COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

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

FORM OF ASSIGNMENT

For value received \_\_\_\_\_ the  
undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ the  
within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_  
attorney, to transfer the same on the Bond register of the Trustee with full power of substitution  
in the premises.

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

\_\_\_\_\_  
Note: The signature(s) on this Assignment must  
correspond with the name(s) as written on  
the face of the Bond in every particular  
without alteration or enlargement or any  
change whatsoever.

Signature guaranteed by: \_\_\_\_\_  
Note: Signature(s) guarantee must be made by an eligible guarantor  
institution (banks, stockbrokers, savings and loans association and  
credit unions with membership in an approved signature medallion  
program) pursuant to Securities and Exchange Commission Rule  
17Ad-15.

[For MBIA Insured 2007 Series J Bonds maturing on May 15, 2011 through May 15, 2014, inclusive, and May 15, 2016 with a coupon of 4.00%, only]

#### STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at The Bank of New York Trust Company, N.A. (as successor in interest to BNY Western Trust Company), San Francisco, California.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to The Bank of New York Trust Company, N.A. or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$100,780,000

#### THE REGENTS OF THE UNIVERSITY OF CALIFORNIA GENERAL REVENUE BONDS, 2007 SERIES J

[Insured Maturities due May 15, 2011 through May 15, 2014, inclusive,  
and May 15, 2016 with a coupon of 4.00%]

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations

in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

In the event the Insurer were to become insolvent, any claims arising under a policy of financial guaranty insurance are excluded from coverage by the California Insurance Guaranty Association, established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

MBIA INSURANCE CORPORATION

[For FSA Insured 2007 Series J Bonds maturing on May 15, 2015, May 15, 2016 with a coupon of 5.00%, May 15, 2017 through May 15, 2021, inclusive, May 15, 2022 with a coupon of 5.00%, May 15, 2023, May 15, 2026, May 15, 2028, May 15, 2031 and May 15, 2035, only]

#### STATEMENT OF INSURANCE

Financial Security Assurance Inc. ("Financial Security"), New York, New York, has delivered its municipal bond insurance policy with respect to the scheduled payments due of principal of and interest on the Bonds maturing on May 15 of the years 2015, 2016 with a coupon of 5.00%, 2017 through 2021, inclusive, 2022 with a coupon of 5.00%, 2023, 2026, 2028, 2031 and 2035 (the "Insured Bonds") to The Bank of New York Trust Company, N.A., San Francisco, California, or its successor, as paying agent for the Insured Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from Financial Security or the Paying Agent.